

FEDERAL BUREAU OF INVESTIGATION
FREEDOM OF INFORMATION/PRIVACY ACTS SECTION
COVER SHEET



SUBJECT: ARYAN NATIONS

FEDERAL BUREAU OF INVESTIGATION
FREEDOM OF INFORMATION/PRIVACY ACTS SECTION

COVER SHEET

ADDITIONAL SUBJECTS: ROBERT JAY
MATHEWS, THE ORDER, THE SILENT
BROTHERHOOD, BRUDERS SCHWEIGN,
NEO-NAZI'S & THE WHITE AMERICAN
BASTION

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NATIONLINE

FROM USA TODAY'S NATIONAL NEWS NETWORK

ALSO

■ **PORTLAND, Ore.**: The FBI searched the Mount Hood area Sunday for a wounded gunman who slightly injured an FBI agent in a motel shoot-out. The motel manager was grazed by a SWAT team bullet fired at the man, believed to be a former member of an Idaho white supremacist church, the Aryan Nations. Officials refused to say why they originally were looking for the unidentified gunman.

The Washington Post _____
 The Washington Times _____
 Daily News (New York) _____
 The New York Times _____
 The Wall Street Journal _____
 The Chicago Tribune _____
 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today 3A _____

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Suspect F.B.I. Hunted Believed Dead in Siege

COUPEVILLE, Wash., Dec. 9 (AP) — A body believed to be that of a neo-Nazi wanted for shooting an agent of the Federal Bureau of Investigation was found today in the charred rubble of an island house.

The house, on Whidbey Island in Puget Sound, was the object of a 28-hour siege by police and Federal officers. It ended about 6 P.M. Saturday when flames intended to illuminate the scene set the house afire.

Allen Whitaker, the bureau's special agent-in-charge for Washington state, said he believed the only occupant of the house was Robert T. Mathews, 31, of Metaline Falls. The bureau said his identity could only be confirmed by an autopsy, which will be conducted by the King County Medical Examiner's office.

Mr. Mathews had been sought since Nov. 24, when he escaped from about 20 bureau agents surrounding a Portland, Ore., motel.

Arthur Hensel, a Federal agent, was wounded in the knee in that incident. He was among agents who had gone to the motel to arrest Mr. Mathews' roommate, Gary Lee Yarbrough, who was accused of shooting at three agents Oct. 18. A spokesman for the bureau said it would conduct an inquiry into the case.

John Lee Mathews, also of Metaline Falls, said his brother had been involved in the National Alliance, a white supremacist group, and other such organizations.

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 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today _____

Date **12-10-84**

Links of Anti-Semitic Band Provoke 6-State Parley

By WAYNE KING

Special to The New York Times

HOUSTON, Dec. 29 — The roughly half dozen members of a heavily armed anti-Semitic group that has "declared war" on the United States appear to be part of a larger racist alliance with adherents in half a dozen Western and Southern states, according to Federal investigators and others monitoring the ultraright.

Sources close to the investigation of a small band of extremists believed to have carried out at least four bank and armored car robberies, as well as armed attacks on Federal officers, have confirmed that the inquiry has spread into several states.

Earlier this month, law authorities were involved in a gun battle in Washington State with members of the group, which calls itself the Silent Brotherhood and says its aim is terrorism and a violent takeover of the Government.

This clash bore resemblances to one 18 months ago, in Arkansas. Both echoed parts of a racist novel that has been called the bible of an anti-Semitic movement. The Washington shootout led Federal attorneys from Alabama, California, Colorado, Idaho, Oregon and Washington to meet in Seattle earlier this week to discuss strategies for investigation.

Various Agencies Mentioned

Law-enforcement officials in some of the states involved confirmed the shooting but declined to give details. It appeared, however, that the investigation involved several Government agencies, including the Federal Bureau of Investigation, the Bureau of Alcohol, Tobacco and Firearms and the Internal Revenue Service.

Investigators have decided that the bank and armored car robberies, including one in northern California last spring in which a team raked a Brinks armored car with automatic weapons fire and escaped with \$3.6 million, were conducted to raise money for a war upon the United States Government, which the group calls "ZOG," or Zionist Occupation Government.

The group was also involved in counterfeiting, both to raise money and to debase the currency, according to legal documents.

One of the numerous weapons used by the group, a .45-caliber submachine gun equipped with a silencer, has been identified by ballistics experts as the weapon used in the slaying of Alan Berg, the Denver radio talk show host who was riddled by a burst from an automatic weapon as he stepped from his car in the driveway of his home June 18.

Other Weapons Are Seized

In related searches, Federal agents seized quantities of other weapons, ammunition and explosives, including hand grenades and a plastic explosive.

One person linked to the group, Federal investigators said, had plans of a power dam in northern Washington. Among the group's announced aims is destruction of utilities and communications, although there was no confirmation of any plan to sabotage the dam.

The Federal agents also seized racist tracts, including one detailing a "point system" for gaining hero status as an "Aryan warrior" by murdering Jews, blacks, Federal judges and F.B.I. agents.

One hand-written tract declared "war" against "the ZOG" and the "Jew-controlled media," and warned of "daily firefights" between law enforcement officials and the "heavily-armed White American Revolutionary Army."

They See an Armageddon

The Silent Brotherhood, which has links to at least a dozen other groups like it around the country, including elements of the Ku Klux Klan and the American Nazis, subscribes to a supremacist doctrine saying that the Government has been taken over by Jews, who it says are descendants of Satan and must be exterminated in a racial and religious Armageddon.

Although the Federal Bureau of Investigation said after the gun battle in Washington two weeks ago with the Silent Brotherhood that the organization did not appear to pose "a major threat" because of its small numbers, the Justice Department has expanded its inquiry to at least six states and is examining members' links to the larger racist alliance calling itself the Aryan Nations.

The larger group says it has a mailing list of 6,000. It possibly has 300 active adherents, according to reports on its rallies and from informers who have attended some of its conventions and religious services. It is headquartered in Hayden Lake, Idaho.

Among the group's affiliates are members of the Ku Klux Klan, the American Nazi Party and some radical adherents to the doctrine of Posse Comitatus, which recognizes no law above the county level. One Posse Comitatus adherent who attended Aryan Nation functions, Gordon Kahl, was killed in May 1983 in a bunker in Arkansas after a cache of explosives and ammunition was ignited in a gunfight with Federal agents, but not before he shot and killed a sheriff. The Aryan Nations has declared him a martyr.

Some organizations affiliated with the racist alliance have computerized "enemy lists," with names and addresses of Jewish organizations, purported Communists and some members of the media.

He Was Sought in Slaying

Mr. Kahl, a tax protester with a history of anti-Semitic and anti-black activity, was a fugitive sought in the slayings of two Federal marshals in North Dakota.

Federal agents investigating those killings began uncovering links among heavily armed right-wing extremists. These overlaps were also reported by such groups as the Anti-Defamation League of B'nai B'rith, which has monitored and talked to informers in such groups such as the Ku Klux Klan.

The extremist network is loose knit, nationwide in scope, but concentrated in small pockets in the Middle West, the West and the South.

Although the investigators say it is united more by ideology and theology than by organization or hierarchy, some constituent groups are being linked by a rudimentary computer network being set up by Louis Beam, a Texas Ku Klux Klan leader now based in Dallas.

According to an Aryan Nations newsletter, Mr. Beam is an ambassador at large of the Aryan Nations.

The chief organizational connection, according to the Anti-Defamation League and other sources, is the Aryan Nations group in Idaho. It is headed by Richard Girnt Butler, a 66-year-old neo-Nazi who is also head of an anti-Semitic sect called the Church of Jesus Christ Christian, which also has headquarters at the Aryan Nations compound at Hayden Lake.

Mr. Butler said that his group had a mailing list of 6,000 names.

Whidbey Island Shootout

The connections among the armed groups took on added significance two weeks ago when Federal agents surrounded a remote house on Whidbey Island in Puget Sound, Washington.

The agents, seeking suspects in a number of state and Federal crimes, including bank and armored car robberies, counterfeiting and armed assaults on Federal officials, ordered all other residents off the island and halted ship traffic in the sound.

What followed was a reprise of the clash with Mr. Kahl in the hills of Arkansas 18 months before.

After a 36-hour siege, with sporadic fire upon the officers from an auto-

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The Wall Street Journal _____
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The Christian Science Monitor _____
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flares were dropped by helicopters to light the scene. They ignited the house.

The blaze caused the death of 21-year-old Robert J. Mathews, who heard pleas from officers to give up and responded with machinegun fire.

Four others were arrested on the island. They were identified as Robert E. and Sharon K. Marki, a couple wanted on Federal charges of counterfeiting, who are also charged with harboring a fugitive and possession of illegal firearms; a man who identified himself as Ian Roy Stewart, charged with harboring Mr. Mathews, a fugitive, and Randolph George Dury, also charged with harboring and with possession of a hand grenade.

They Were Also Fugitives

The Markis were also wanted on a Federal fugitive warrant for jumping bail on a counterfeiting charge in Spokane.

Mr. Dury was taken into custody early in the siege when he fled through the back door of one of three houses occupied by members of the group. He carried a semiautomatic rifle and an Israeli-made submachine gun, both loaded, but gave himself up without incident.

Searches of the houses uncovered another machinegun and other weapons, quantities of ammunition, a grenade, false identification papers, \$34,000 in cash and a "declaration of war" signed by group members, who called themselves the "Aryan Resistance Movement."

Another \$40,000 in cash was in a canvas bag carried by Ian Stewart when he surrendered to the authorities. He said the money was his.

He Headed a Splinter Group

According to a complaint filed by the United States Attorney in Seattle, based on affidavits by F.B.I. investigators, Mr. Mathews headed a splinter group of the Aryan Nations calling itself the Bruder Schweigen, or Silent Brotherhood, in German. The group has also used the name Silent Brotherhood of the White American Nation.

According to an informer, Mr. Mathews tried to recruit the informer into the group in early 1984 and told him that he had singlehandedly robbed a Seattle bank of \$25,000 in late 1983, and that he and other members of the group had robbed a Continental Transport armored car of \$500,000 in Seattle and a Brinks truck of \$3.6 million in Ukiah, Calif., in June of this year.

Both robberies of armored cars were carried out in a paramilitary style by armed groups, of up to 17 persons in the Ukiah case, and in both cases the groups held up the vehicles brandishing automatic weapons and identical signs reading "Get out or you die."

According to the Government, the actions closely followed the plot of a racist novel, "The Turner Diaries," described by the informer as "the bible of the group."

It Covers Takeover of U.S.

The book was first published under a pseudonym, but was written by William Pierce, who heads a neo-Nazi group, the National Alliance, in Washington, D.C.

The account, the Government says, "covered the expected murders of 100

States of America by white supremacists who form a paramilitary underground and proceed to overthrow the Government by violence."

In it, a group calling itself the Order "begins by first funding itself by robberies, counterfeiting and other crimes." The book describes counterfeiting "as not only a way to provide funding but as a way to disrupt the economy of the United States."

The book also describes obtaining automatic weapons, terrorist attacks, assassination of public officials and bombing of public utilities.

In the latter context, a Federal official in Washington confirmed that blueprints to a large power dam on the Pend Oreille River near the Canadian border in northeastern Washington had been found in the possession of someone associated with the Aryan Nations Church of Jesus Christ Christian.

Arrest Confirmed by U.S.

That person was arrested, although the identity of the accused and the charges could not be traced because the Federal authorities, while confirming the arrest, would not disclose where the arrest took place. Mere possession of the plans to the dam is not illegal.

Besides those arrested after the siege on Whidbey Island, Federal agents have arrested other known and suspected members of the racial terrorist group and are seeking others.

Among those now in custody is 30-year-old Gary Lee Yarborough of Sand Point, Idaho, who was reportedly recruited into the Aryan Nations on Mr. Mathews's recommendation in 1979 or 1980.

Mr. Yarborough was arrested on Nov. 24 at a motel in Portland, Ore. He was sought in the \$3.6 million Brinks robbery and for an earlier armed assault on Federal agents on Oct. 18.

As Federal officers closed in on the Portland motel in November, a man later identified as Mr. Mathews ran onto a balcony and fired a shot at the officers with a pistol, and in an exchange of gunfire, an F.B.I. agent, Art Housel, was wounded in the leg. Mr. Mathews himself was also apparently wounded, but escaped.

"War" Declaration Found

Mr. Yarborough was arrested and a search unearthed two automatic weapons, one equipped with a silencer, a grenade, \$30,000 in cash and the handwritten declaration of "war" signed by those identifying themselves as the "White American Revolutionary Army."

Mr. Yarborough was charged on several counts, including armed assault on a Federal officer. The charge grew out of an incident in October when Mr. Yarborough was said to have run out of the woods and began firing as F.B.I. agents disguised as Forest Service employees approached his home.

He escaped, but a search of the house uncovered weapons, including two .45-caliber semiautomatics, one equipped with a homemade silencer.

A week after his arrest on Nov. 24, the Federal authorities said that one of these weapons had been used to kill Mr. Berg, the talk show host.

That case remains under investigation and Mr. Yarborough has specifically denied any involvement in it or

Those months the ultraright said Mr. Yarborough was recruited into the Aryan Nations, at Mr. Mathews's urging, when Mr. Yarborough was released from Arizona State Prison, where he had served a term for burglary and theft. In prison, he belonged to the racist prisoners' group called the Aryan Brotherhood.

The recruitment was part of the "outreach ministry" of the Church of Jesus Christ Christian, the theological arm of the Aryan Nations.

Mariposa Church Doctrine

That church derives its violently anti-Semitic doctrine from the Ministry of Christ Church in Mariposa, Calif., headed by the Rev. William Potter Gale, who founded it on the doctrine that Jews are the sons of Satan, of the line of Cain, and should be exterminated.

Through his church, Mr. Gale is head of the so-called Christian Identity movement, which teaches that the Lost Tribes of Israel are actually blue-eyed Aryans and that Jews are impostors.

Richard Butler, head of the Aryan Nations and the Church of Jesus Christ Christian, has worked with both the Identity movement and other groups through the Aryan Nations organization, according to the groups' literature and those monitoring the movement.

After the death of Mr. Mathews at Whidbey Island, Mr. Butler held a news conference at which he said he was "proud of Mathews; he was a hero."

Last Wednesday, he gave a statement to the press asserting that five of the men arrested in the robberies and assaults, including Mr. Mathews, Mr. Yarborough and Mr. Dury, were "former members of the Aryan Nation at a uniformed HQ division of Hayden Lake, Idaho," and "they attended the worship service of the Church of Jesus Christ Christian with their families."

Photographs in the Aryan Nations newsletter show Mr. Yarborough in uniform as head of an honor guard at a ceremony attended by 300 people from 13 neo-Nazi, Ku Klux Klan and similar groups at an "international conference" held at Hayden Lake.

A 1982 Aryan Nations newsletter asserts the group's intention "make it clear to ourselves and to our enemies what we intend to do."

It promises "we will have a national racial state," and "at whatever price is necessary." "Just as our forefathers purchased their freedom in blood, so must we," the newsletter says. "We will have to kill the bastards."

According to the Anti-Defamation League, the annual meetings include sessions on guerrilla warfare, with "The Road Back" as a textbook. This book contains 20 chapters on weapons, explosives, communications, "urban warfare," sabotage, "guerrilla medicine" and the like. It includes illustrations depicting the mining of railways and trucks.

For three years, according to the Anti-Defamation League, the conferences have also been attended by Traudl Roeder, the wife of Manfred Roeder, head of the largest neo-Nazi group in Europe. Mr. Roeder is serving a prison term in West Germany for the bombing of a Vietnamese refugee center in which two Vietnamese were killed.

Butler has fought a continuing battle with local and federal taxing authorities, who repeatedly have denied his group a religious-organization tax exemption.

At one point, Butler said, he had a mailing list of 6,000 people, but this was stolen by two dissident followers who left his compound last summer.

When Canadian authorities refused to let Butler's hate literature into the country, he started a computer bulletin board to spread the message electronically. He says several hundred people in the United States and Canada gain access to the system every day to read anti-Semitic, anti-black messages.

Butler holds regular Sunday church services that draw a few dozen people. His church also runs a small "Christian Academy" where a handful of local children get their education.

Butler has also hosted at least two sessions of the "National Aryan Congress," an annual gathering of Ku Klux Klan, American Nazi Party, Posse Comitatus and similar extremist group members from around the nation.

At these summertime sessions, participants in brown American Nazi uniforms, bright-blue Aryan Nations suits or white Ku Klux Klan robes gather around the Nazi and Confederate flags and exchange stiff-armed Nazi salutes, according to those who have attended.

Butler's Idaho "church" also has served as a temporary base for such allies as Louis Beam Jr., former Grand Dragon of the Texas Ku Klux Klan, and Robert Miles, a Klan leader from Michigan.

Over the years, Butler directed much of his proselytizing at prison inmates, particularly in the West and deep South. He says that "a number" of ex-convicts whom he contacted while they were in prison moved here after their release and became members of the "Aryan Nations uniformed headquarters division."

But this influx of prisoners led to an eventual split in the extremist movement, as Butler tells it.

"In their view, the program . . . to reach the masses of our people through truth, logic, and reasonableness would never be allowed" because "the media are controlled by our enemies," Butler said.

And so a number of young neo-Nazis may have Aryan Nations, Butler said, to pursue a more

Some observers of the extreme right doubt Butler's story and say he is still closely connected to the violent faction of his movement. Butler has not been charged, however, with complicity in any of the recent crimes.

In any case, a group of Aryan Nations members began a bloody trail of criminal conduct, which the FBI says is based on the novelistic account of a neo-Nazi uprising. FBI agent Stephenson said an informant has described the novel as "the bible" of the violent faction.

In the last year, the FBI believes, Silent Brotherhood members have successfully carried out at least one bank robbery and two lucrative ambushes of armored cars.

Stephenson told a magistrate in Seattle that "some of the documents recovered [from members' homes] state that in order to become an 'Aryan Warrior,' applicants must complete a series of . . . points . . . and that the method of compiling such credits includes the murder of federal judges, FBI agents, and other federal officials and employees, as well as the murder of Jewish people, black people and others."

The Secret Service, which investigates counterfeiting, has seized a professional printing press in central Washington state that allegedly was used by Robert E. Merli, a member of the right-wing group.

Counterfeiting is used by the extremists not only to get cash but also to disrupt the Federal Reserve System, which Aryan Nations literature describes as a tool of Jews.

Law-enforcement officials began to make a strong move against the group this fall after one member, Gary Lee Yarbrough, an ex-convict who later became Richard Butler's "bodyguard" at the Hayden Lake church, allegedly fired at FBI agents approaching his house.

A subsequent search of Yarbrough's home revealed a large cache of explosives and weapons ranging from submachine guns to crossbows.

Among the guns found in Yarbrough's home was a "Mac-10" automatic pistol. Ballistics tests proved that this was the gun used to kill Berg, the Denver radio host.

After the shooting at Yarbrough's home, agents tracked the fleeing Yarbrough and another extremist, Robert Jay Mathews, to a motel in Portland, Ore. After a fire-fight there, Yarbrough was ar-

Mathews was cornered earlier this month at a cottage on Whidbey Island, Wash. After a gun battle with 100 agents, Mathews was found dead and four other Silent Brotherhood members were arrested.

Yarbrough's brother, Stephen Ray, and Denver Daw Parmenter II, also reportedly members of the group, have also been arrested recently.

No one has been charged with Berg's murder, much of the money that was stolen or counterfeited remains hidden and several more suspected members remain at large despite a dragnet across the United States and Canada.

Staff writer Mary Thornton and special correspondent Doug Vaughan contributed to this report.

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U.S. Alleges Overthrow Plot

White Supremacists Linked to Scheme to Take Over Government

By Laura Parker
 Special to The Washington Post

SEATTLE, Dec. 11—The massive FBI manhunt last weekend that ended in a fiery gun battle on a wooded, rural island north of here has unveiled what federal prosecutors call a scheme by a group of white supremacists to overthrow the government.

Robert Mathews, who died in the 36-hour siege, and four others arrested at the scene had been associated with a white-supremacist group in the Idaho panhandle known as the "Aryan Nations" and had plans to eliminate "Jewish influence" and other minority groups from American society, according to documents filed in federal court here.

The Federal Bureau of Investigation began investigating the group several months ago in connection with a series of crimes thought to be the work of a group of white supremacists. An unidentified informer who infiltrated the group provided the FBI with information linking it to three armed robberies in Seattle and northern California that netted more than \$3 million.

The showdown began early Friday morning when more than 60 FBI agents swept through the pastures and woods of Whidbey Island, a 50-mile-long body north of Seattle, and surrounded three cabins on a bluff overlooking Puget Sound.

The agents closed shipping lanes near the island until late Friday evening and halted air traffic as the manhunt progressed. FBI agents negotiated with the activists and arrested four Friday on charges of harboring a fugitive.

But Mathews, 31, alone and heavily armed in one of the houses, refused to come out. FBI agents, some wearing camouflage, their faces blackened, waited in the woods through the damp, cold night while negotiations continued.

Saturday afternoon, the FBI fired teargas into the house and later attempted to enter it to arrest Mathews. Agents were met with gunfire and retreated. As the second day of the siege gave way to darkness, the FBI fired flares into the house to illuminate it. The building caught fire and quickly burned to the ground with Mathews inside as exploding ammunition kept the agents at bay.

A badly burned body taken from

the ashes was tentatively identified from dental records as Mathews.

Randolph George Ducey, Robert E. Merki, his wife, Sharon K. Merki, and a man identified as "John Doe" but also known as Bertlett Duane Udell and Ian Roy Steward were charged in U.S. District Court in Seattle with harboring Mathews.

Three members of the group are still at large.

During the arrest of the four activists, FBI agents seized a briefcase bearing Ducey's name that contained a document dated Nov. 23, entitled "Declaration of War," said Assistant U.S. Attorney Gene Wilson.

The document declares "war" on various elements of society and was signed by Mathews, Ducey and Robert Merki in the name of the "Aryan Resistance Movement," according to court papers.

The informer said Mathews invited him to join the group and told him about his plans.

The group's bible, according to the informer, was "Turner's Diaries" by William Pierce, which was published by the National Alliance, an East Coast right-wing association.

The book contains fictional "di-

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aries" written by a man named Turner, who details a supposed takeover of the United States by white supremacists.

The diaries describe a group called The Order that undertakes its revolution by funding itself through robberies, counterfeiting and other crimes. The next step, according to the book, is to launch terrorist attacks, including bombings and assassinations, against public officials, public offices, energy facilities, communications systems, newspaper offices and television and radio stations.

The book lists The Order's enemies as Jews, blacks, other minorities, conservatives unwilling to take drastic steps and liberals, said FBI special agent Norman Stephenson.

The revolution in the book begins in 1991 and ends successfully after eight years with the murder of many people, the destruction of the "liberal Jewish press," the bombing of FBI headquarters, the obliteration of Israel with nuclear weapons and the death of the fictional Turner in a suicidal nuclear attack on the Pentagon, Stephenson said.

[United Press International reported that the Aryan Nations Church of Hayden Lake, Idaho, issued a four-page, typed letter that it claimed to have received Saturday. The group said it contained Mathews' apparent description of his years of conflicts with federal authorities and vowed to "press the



FBI searches rubble of home where white supremacist Robert Mathews died.

FBI and let them know what it is like to become the hunted."

[The letter said Mathews worried his 3-year-old son, Clint, "would be a stranger in his own land, a blond-haired, blue-eyed

Aryan in a country populated mainly by Mexicans, mulattoes, blacks and Asians."

[Mathews, after leaving Aryan Nations, formed the "White American Bastion," UPI reported.]

(Mount Clipping in Space Below)

FBI probes right-wing group's farm loan plan

The FBI is investigating a controversial farm loan program offered through the National Agricultural Press Association, the Post-Bulletin has learned.

The FBI hopes to turn its investigation over to the U.S. attorney for possible prosecution by the end of this month, said Bruce Yarborough, a special agent in the FBI's Indianapolis office who is directing the investigation.

The FBI investigation centers on whether the loan program involves mail fraud or wire fraud, Yarborough said.

Yarborough said the investigation has involved interviews with more than 100 people during an 18-month period.

The FBI still is investigating "many, many leads in various parts of the country" in connection with the case, Yarborough said.

The FBI also still is investigating NAPA's connection to the loan program, Yarborough said.

"It's not a black and white picture yet, but hopefully we will get to that point shortly," he said.

NAPA and its president, Ruth Elliott, "would end up being a defendant, a witness, or a victim — or a combination of the above," Yarborough said.

One hypothesis being investigated by the FBI is that NAPA worked as a broker for a finance company in Muncie, Ind., that is one of the firms being investigated by the FBI, Yarborough said.

Besides NAPA, the FBI investigation also involves six finance companies, at least some of which are allegedly arranging the NAPA loans, Yarborough confirmed.

One aspect of the FBI investigation centers on whether NAPA and the six companies are all inter-related, he confirmed.

At least three of the firms are located in Muncie, Ind. The three Muncie firms are "associated" with one another, according to a report from the Better Business Bureau in Muncie.

Dave Ryan, assistant U.S. attorney in Indianapolis, said it could be

several months before his office can review the FBI investigation. If criminal felony charges are warranted by the FBI investigation, Ryan said, the case would be turned over to a grand jury.

The National Agricultural Press Association, a far-right farm group that seeks to stop farm foreclosures, has actively recruited farmers in Minnesota, Wisconsin, the Dakotas and other states since early this year. The group was also active in Iowa until an investigation by the Iowa attorney general's office caused the state's chapter to disband.

One of the major tools used by NAPA to recruit farmers has been promises that the organization could help farmers obtain loans at below-market interest rates. NAPA gave farmers loan applications which NAPA officials said would be forwarded to the lenders.

Elliott has repeatedly refused to say where the loan money was coming from. In a June interview at NAPA's regional office in Rushford, Elliott would say only that the money was coming from lenders in Indiana.

"We do not loan any money," Elliott said. "We just happen to know of persons who are legitimate people. They are clean. There's no fraud, no damned phonyness to their operations."

A secretary at NAPA's headquarters in Fort Lupton, Colo., said Elliott would not comment on the FBI investigation.

NAPA loan documents obtained by the Post-Bulletin show that one of the Muncie companies being investigated by the FBI has been processing NAPA loan applications.

An office manager for the firm said she is aware of the FBI investigation but that her company has done nothing wrong.

"We do not charge any up-front fees for these types of loans," the manager said. "They would have to prove that we have absolutely no sources of funds, which cannot be proved because we do have sources

of funds.

"We know the funding is real, and if they will allow us to do our job we will be able to prove it."

The manager said her firm recently found European lenders who will finance loans requested by NAPA members.

"These people are either private investment trusts or possibly European commercial banks," she said.

The loans will carry interest rates of below 8 1/2 percent, the manager said.

She added that all NAPA members who applied for loans — even those rejected by American lenders because of inadequate collateral — will qualify for loans.

"They (the European lenders) are not as strict on some of the credit criteria as we are over here," she said.

Farmers who applied for NAPA loans were sent loan papers two weeks ago, the manager said, and her firm will forward those papers to the European lenders. The manager said she didn't know how many NAPA members were sent loan papers. She said her firm is attempting to have all the loans finalized by Christmas.

The manager said her firm is incorporated in a foreign country, but declined to name the country. A report from the Muncie Better Business Bureau, quoting the executive director of the firm, said the company locates business financing for small businesses and offers "financial brokerage, mail order,

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PG. 166 ROCHESTER POST BULLETIN
ROCHESTER, MNDate: 11-14-84
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credit reporting services, etc."

A number of economists and bankers contacted by the Post-Bulletin raised serious doubts about the NAPA loan program.

"It's a total scam," said Dr. Wilbur Maki, a regional economist at the University of Minnesota.

Investors would have no reason to participate in the NAPA loan program because they can earn much higher interest rates on money markets, Maki said.

"It sounds like another con game," said Les Peterson, president of the Farmers State Bank in Trimont, Minn. Peterson is former chairman of the agricultural banking committee of the American Bankers Association.

Peterson said some of his customers have tried to obtain loans from similar programs.

"Nothing has ever happened," he said.

Finance companies that arrange the loans typically charge "finder's fees" of several thousand dollars, Peterson said.

"Before I'd put my faith in an organization like that or paid any money, I'd want to run it by the attorney general to see if they're legitimate," Peterson said. "To date, we haven't found a single one that is."

Statements by the finance company's office manager that foreign lenders are less concerned than American lenders about farmers' collateral are incorrect, Peterson said.

"Anybody that tells you they're not going to look at security is whistling up a dead tree," Peterson said. "There isn't anybody that stupid in international finance."

Ed Morsman, president of Nor-west Bank in Rochester, said he has "seen many circumstances where distressed borrowers are preyed upon by unscrupulous people."

"When any group of borrowers is under pressure, be it farmers or anyone else, there are many schemes presented to get such borrowers out of difficulties," Morsman said.

"We have seen lots of questionable deals like this citing European or Middle Eastern money and we have seen a lot of fraud in connection with these deals."

"Frequently, we have found that borrowers have been stuck with paying the finder's fee and getting nothing in return."

NAPA loan documents obtained by the Post-Bulletin indicate that farmers had to pay a \$500 fee to one of the Muncie finance companies to be considered for a loan. The three Muncie companies are "associated" with one another, according to a report from the Muncie Better Business Bureau. However, the office manager of one firm contacted by the Post-Bulletin denied that her firm has ties to the other two companies.

A payment of \$350 to the finance company was also required for closing fees, which were described as including a credit report, title search, attorney cost, and filing fees.

In addition, people who obtained loans were required to pay 2½ percent interest when the loan was closed.

Another NAPA document required borrowers to sign a statement that they would not disclose the source of the funding. Disclosure of the source would give NAPA the right to reject the loan application and keep any deposit paid, according to the document.

Disclosure of the source would also give NAPA the right to file suit against the borrower for \$25,000, with no defense for the borrower unless he could prove he had not disclosed the source, according to the NAPA document.

Elliott has said for six months that the loans would be finalized within days.

In an interview in mid-May in Westby, Wis., Elliott said NAPA then had \$50 million in notices of approval for loans. Borrowers would be getting notices within days about where and when their loans would be available, he said.

There have been no reports of any farmers actually receiving loans under the NAPA program.

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FBI spokesman Allen Whitaker (left) and Island County, Wash., Sheriff Dick Medina talk with reporters Saturday after the house that murder suspect Robert J. Mathews was in caught fire and burned

Manhunt ends in fiery death

From Chicago Tribune wires

COUPEVILLE, Wash.—The body of a man believed to be a neo-Nazi agent was found Sunday in the charred rubble of an island house, which was ignited by police flares during a 35-hour standoff, authorities said.

Allen Whitaker, FBI special agent-in-charge for Washington state, said he believed the only occupant of the house, burned to its foundation, was Robert T. Mathews, 31, of Metaline Falls. But the FBI said the identity could be confirmed only by an autopsy.

The FBI sealed off the Whidbey Island home Saturday night after Mathews was presumed killed in the explosion and fire, which broke out when a SWAT team dropped

illumination flares from a helicopter.

MATHEWS, HOLED up in the rental home, refused to come out when the fire started and continued firing at agents. The house then erupted in a huge fireball. The FBI said Mathews' supply of ammunition may have ignited the blaze.

"The flares caused the fire, but the individual inside kept firing at the agents and so they could not get close enough to get the fire out," said FBI spokesman Joseph Smith.

Mathews had been linked to neo-Nazi, white supremacist groups in Washington, D.C., and Idaho.

Three people were arrested in other residences on Whidbey Island Friday on charges of harboring Mathews. They were identified by

the FBI as Randolph G. Ducey, Robert E. Merki and Sharon K. Merki.

THE FIERY death ended an intense, two-week manhunt for Mathews, who was wanted in the Nov. 24 shooting of an FBI agent in a motel in Portland, Ore.

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The standoff between Mathews and the FBI began Friday when agents, some dressed in camouflage fatigues, surrounded the house, in a remote part of the island known as Smuggler's Cove, about 40 miles north of Seattle.

Describing Mathews as "heavily armed and very dangerous," the FBI called on the Coast Guard to close off Puget Sound shipping lanes near the island as a protective measure.

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ACROSS THE USA

FROM USA TODAY'S NATIONAL NEWS NETWORK

WASHINGTON

SEATTLE — Neo-Nazi's widow says FBI shunned her. Debbie Mathews says the FBI rejected her offer to talk Robert Mathews into giving up in a Whidbey Island siege. A body believed to be Mathews' was found in the charred rubble of a house after FBI agents' flares accidentally set it afire.

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The World

A federal judge in New York ruled that a member of the Irish Republican Army, convicted in his homeland of murdering a British soldier, cannot be extradited because his crime was a political act. The decision by U.S. District Judge John E. Sprizzo means that Joseph Patrick Thomas Doherty, who escaped from an Ulster prison in 1981, can remain in the United States at least for the time being. Sprizzo upheld Doherty's assertion that the crime represents a political act and is not covered by the U.S.-British extradition treaty.

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Idaho Man Held After Shoot-Out With FBI Agents

Gun That Killed Radio Host Found in Neo-Nazi's Home

From Times Wire Services

DENVER—The submachine gun used to kill Jewish radio talk-show host Alan Berg here last June was found in an FBI raid on the Idaho home of a neo-Nazi who remained in federal custody Saturday, police said.

Berg, 50, who called himself "the guy you love to hate," had received threats during his stint on radio station KOA. He often denounced right-wing groups on the air.

Ballistics tests confirmed that the .45-caliber Ingram submachine gun found in the Oct. 18 raid on the home of Gary Lee Yarbrough, near Sandpoint, Idaho, was used to kill Berg, Denver Police Chief of Detectives Don Mulnix said Friday. The FBI had obtained a search warrant in an investigation of an assault on federal officers.

Suspect Escaped

Yarbrough, a former member of the white supremacist Aryan Nations, fired on FBI agents before the search and escaped, police said in a statement. The search also uncovered Aryan Nation uniforms and assault rifles, grenades, gun silencers, explosives and blasting caps, police said.

Yarbrough was arrested after a Nov. 24 shoot-out with FBI agents at a Portland, Ore., motel and was returned to Boise, Idaho, where he is being held without bail on charges including assault in the Oct. 18 incident. He has pleaded not guilty.

Mulnix said he was in "no hurry" to file charges in Berg's death. "Mr. Yarbrough isn't going anywhere," he added.

At one time, the 29-year-old Yarbrough reportedly was "captain of security" for Aryan Nations, a neo-Nazi group based in Hayden Lake, Idaho.

Anti-Semitic Group

The group's leader is Richard Butler, a 66-year-old engineer. The group is known for its anti-Semitic and racist rhetoric.

Yarbrough is believed to have served as Butler's bodyguard and worked in the organization's print shop. His name appeared on a flyer suggesting that it was "time for war" with the enemies of the Aryan Nations—blacks and Jews, according to the Anti-Defamation League of B'nai B'rith.

Yarbrough told the Seattle Times last year that the group was "looking for a separation of the races—most likely it will come by force."

"I am prepared to do battle," Yarbrough was quoted as saying. "The Lord will guide my bullets and deflect the bullets that are fired at me."

Butler said Yarbrough has not been a member of the organization for some time. He refused to comment further.

Mulnix said authorities investigating Berg's death had focused on far-right-wing groups like Aryan Nations because of Berg and "his personality and what he had to say about them." On his shows, Berg often derided and challenged extremist groups. Berg was shot to death in the driveway of his town house last June 18.

A month after Yarbrough fled his Sandpoint home, he and his former roommate, Robert T. Mathews, were traced to a motel near Portland. During a shoot-out there, officials said, Yarbrough was captured and Mathews escaped.

A manhunt for Mathews ensued,

which ended last weekend in a fiery shoot-out at an island hide-out outside Seattle, officials said. Mathews held federal agents at bay for more than 30 hours before police flares started a fire in the house. A body presumed to be Mathews was found in the house afterward, authorities said.

Mathews and Yarbrough also are suspected of a series of armored car robberies, including one in Ukiah, Calif., that netted \$3.6 million. They were charged with a Seattle armored car robbery last April that netted \$500,000.

Mathews was the founder of a group called the White American Bastion, authorities said, describing it as a neo-Nazi group dedicated to fomenting a white supremacist "revolution" in the United States.

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Around the World

British M.P.'s Criticize Ruling on Extradition

Special to The New York Times

LONDON, Dec. 14 — The refusal of a Federal judge in Manhattan to extradite a member of the Provisional Irish Republican Army convicted of the murder of a British soldier was greeted with fury here by several Conservative Members of Parliament.

"This judge has given the seal of approval to murder, maiming and terrorism," said Jill Knight, a Conservative M.P. for Edgbaston, a district of Birmingham. "He should understand that he has also given the green light to terrorists all over the world, who will know that so long as they use the excuse that their acts are political, the law will protect them."

Joseph Patrick Thomas Doherty, who faces life in prison if extradited to Britain, had contended that he could not be returned here under the British-American extradition treaty because it contains an article prohibiting extradition if an offense can be considered "one of a political character."

Judge John E. Sprizzo of Federal District Court said the facts in Mr. Doherty's case "present the assertion of the political offense exception in its most classic form."

Meanwhile, a British soldier was jailed for life today for the murder of the road manager of the pop group Bananarama in Belfast. Pvt. Ian Thain was the first soldier to be found guilty of murder on duty in Northern Ireland. He was 18 years old at the time he shot Thomas Reilly, 23, during disturbances in August 1982.

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Gun in Killing Of Radio Host Reported Found

By T.R. Reid
Washington Post Staff Writer

DENVER, Dec. 14—The gun used for the gangland-style slaying of an outspoken talk-show host here has been recovered in the home of a right-wing extremist who is connected to a neo-Nazi white supremacist group, Denver police said today.

Ballistics tests confirmed that a Mach 10 automatic pistol FBI agents found in the extremist's Sandpoint, Idaho, home was the gun that killed outspoken radio announcer Alan Berg with a torrent of bullets on a city street here last June.

The gun was found after a fire-fight between FBI agents and Gary Lee Yarbrough, 29, at Yarbrough's home in Sandpoint. Officials said Yarbrough had been a member of a hate organization called "Aryan Nations."

After the shootout with agents at his home Oct. 18, Yarbrough fled

with his friend, Robert T. Mathews. Police say Mathews also was a member of Aryan Nations.

Yarbrough subsequently was arrested and is in custody. Mathews was killed last weekend in a shootout at an island hideaway near Seattle.

While Yarbrough and Mathews were fugitives, FBI agents searched Yarbrough's home and found numerous guns and explosives and four crossbows.

One of the guns was an R.P.B. Industries .45-caliber automatic pistol—the type of weapon that killed Berg. Bullets fired from the gun were shipped here for ballistics testing. The precise "signature" left by the gun on those test bullets exactly matched marks on the bullets found around Berg's body.

Police said that before this fall there had been no evidence of violent activity by Aryan Nations' members.

Aryan Nations, with headquarters in a tightly secured fortress in northwest Idaho, has been known for spreading an ancient message of racial and religious bias with modern, high-technology gadgetry.

The group maintains two computer bulletin boards, each of which is called an "Aryan Nations Liberty Net," and which anyone can read denunciations of Jews, blacks, communists and the U.S. government, which Aryan Nations calls the "ZOG," for "Zionist Occupational Government."

Under the heading "Know Your Enemy," the bulletin boards list the addresses of local offices of the Anti-Defamation League of B'nai B'rith and of the Communist Party U.S.A.

The board has a long denunciation of Morris Dees, a prominent Democratic Party leader in Alabama, because Dees has provided

legal representation for poor blacks.

The computer bulletin board, which readers can reach from anywhere, also has a list of "Race Traitors."

"Aryan Nations' members declined to comment yesterday on the Berg killing. A spokesman at the Hayden Lake, Idaho, headquarters said Yarbrough is not a current member.

Denver Police Division Chief Donald Mulnix said yesterday that his officers had focused on "right-wing extremists" from the start of the investigation of Berg's murder.

"That was because of Mr. Berg and his personality, because of the things he had to say about right-wing extremists, which might have made him a target," Mulnix said.

Berg, who generally was liberal on policy issues, had a flamboyant, provocative manner on the air that made him this city's best-known and most controversial radio personality.

Berg was Jewish. In 1979, a Ku Klux Klan member burst into his studio to criticize his commentary. Berg said the Klan member threatened him at gunpoint.

After Berg was gunned down late at night outside his townhouse here, Denver police questioned some 200 people in search of leads.

The police cautioned that no one had been charged with the Berg shooting. They said they had no evidence connecting Yarbrough or Mathews to the Berg weapon at the time of the killing.

But the Denver police have sent investigators to question Yarbrough and other Aryan Nations members about the case.

Aryan Nations is the political arm of a white-supremacist, anti-Semitic organization called "The Church of Jesus Christ Christian."

The group actively proselytizes, using the motto, "One nation, one creed, one race."

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NATIONAL AFFAIRS

High-Tech Hatred

There are no sheets or burning crosses: hatred has gone high tech. For \$3, anyone with a computer can plug into the Aryan Nation Liberty Net, an electronic "bulletin board" offering the latest in neo-Nazi thought, thanks to the Ku Klux Klan.

For example, under the heading **KNOW YOUR ENEMY** there are lists of Communist Party offices, as well as ZOG ("Zionist Occupational Government") "informers." And there are editorial offerings, as well. In a discussion of the case of Leroy Little, a Vietnam veteran serving a life term for bombing communist headquarters in North Carolina, the author inquires: "Why is it all right for Leroy to shoot and bomb Communists 12,000 miles from home—but not at home?" And among the enemies list, a Texan named Buster Kanton carries a ghastly footnote: "Buster Kanton killed in an explosion... oh glorious day."

While the messages bear the cryptic signature 33/3, the Klan makes no secret of its involvement. "It's a tremendous tool in the awakening of the white Christian people to the Jewish plot to destroy the white race and Christianity," said Glenn Miller, leader of the North Carolina Klan, which operates one of several such bulletin boards. Because of the "Jewish-controlled mass media," says Miller, "we have to take our message directly to the people."

Newsweek
Page 20
December 24, 1984

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Aryan Group, Jail Gangs Linked

FBI Reports on White-Supremacist Organization

By Mary Thornton and T.R. Reid
Washington Post Staff Writers

Federal officials said yesterday that a white-supremacist group, whose followers have been linked to several armored-car robberies, the slaying of a Denver talk-show host and assaults on federal agents, has 100 to 150 members and ties to two extremist prison gangs.

FBI agent Bill Baker said the group, which is based in the remote resort town of Hayden Lake, Idaho, on a 20-acre compound surrounded by barbed wire, is linked to the Aryan Brotherhood and the Aryan Special Forces, two white-supremacist prison gangs that are said to participate in loan-sharking, extortion and gambling and are suspected in the murders of guards and fellow prisoners.

The group is called the Church of Jesus Christ Christian and its action arm is known as the Aryan Nations, a paramilitary organization responsible for the church's political and proselytizing activities.

Baker also said that some of the Aryan Nations membership "is basically the same as that of the former [Idaho] chapter of Sheriff's posse Comitatus," a militant tax-revolt group. One of that group's leaders, Gordon Kahl, was killed in a June 1983 shootout with authorities in Arkansas.

The Aryan Nations church, earlier known as the Emancipated Church of the White Seed, was started in the late 1970s by Richard Girst Butler and, according to Baker, "advocates white supremacy and the elimination of members of the Jewish faith and the black race from society."

Baker said that violent activities by the group have intensified in recent months and that FBI agents and local law enforcement officers have been advised to use caution when dealing with current or former members of the group.

Officials said an intense investigation of the group was recently conducted by agents from the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco and Firearms; the probe concentrated on the states of Washington, Idaho and Montana.

Last Sunday, police in Denver

said that ballistics tests confirmed that a .45-cal. MAC-10 machine gun found in the Idaho home of a former member of the Aryan Nations was the weapon used to kill outspoken radio announcer Alan Berg last June outside his Denver home.

Gary Lee Yarbrough, 29, who was chief of security for the Aryan Nations until he joined a splinter group about a year ago, is being held without bond in the Ada County Jail in Boise on charges of assaulting a federal agent.

He is accused in connection with an Oct. 18 shootout with an FBI agent near his Sandpoint, Idaho, home. When agents searched the home, they found the MAC-10 and four crossbows, 100 sticks of dynamite, plastic explosives, hand grenades, semi-automatic rifles, infrared night-vision scopes, gun silencers, booby traps, police scanners and 6,000 rounds of ammunition.

Berg, 50, who was Jewish, was a flamboyant and controversial talk-show host for KOA radio in Denver. He was often critical of the Ku Klux Klan and neo-Nazi extremist groups, and sometimes killed himself as "the man you love to hate."

"I didn't kill him," Yarbrough told the Rocky Mountain News. "I never heard of him before I heard about this watching television."

Yarbrough eluded authorities until Nov. 24, when he was arrested following a shootout at a Portland, Ore., motel.

Yarbrough's roommate there, Robert Jay Mathews, 31, managed to escape from 20 FBI agents surrounding the motel, reportedly shooting one of them, Arthur Hansen, twice in the leg.

Mathews, who had left the Aryan Nations to form a group called the White Aryan Bastion, died Dec. 8 in a fiery shootout with FBI agents on Whidbey Island, about 20 miles northwest of Seattle.

Agents had surrounded three houses on the southern tip of the island and taken four persons into custody. When Mathews refused to come out, agents bombarded the building with tear gas, and SWAT (Special Weapons and Tactics) teams tried to storm the house, but were turned away by

heavy gunfire from automatic weapons.

After a 36-hour standoff, authorities fired a flare to illuminate the area; it went into the house, igniting the ammunition there. The ensuing explosions sent flames 200 feet into the air.

Searching the other two houses, FBI agents found two rifles, a shotgun, a 9-mm handgun, a sword, a police scanner and disguise items, including fake mustaches and two women's wigs.

Among those taken into custody on Whidbey Island were Randolph Ducey and Ian Stewart. Court testimony by FBI agents has linked them to an unidentified bank robbery, three armored-car robberies in Seattle and "possibly a homicide in Colorado."

U.S. Magistrate Philip K. Sweigert refused to set bail for the two men last Friday, noting that a manual was found in Ducey's possession that included a "declaration of war" on the "Zionist-infiltrated U.S. government" and called for elimination of the "liberal Jewish press."

Ducey is also a former member of the Aryan Nations church who split, with Mathews and Yarbrough, to form the splinter faction.

Mathews, Ducey, Yarbrough, Stewart and "persons unknown" have been charged with the \$500,000 robbery of a Continental Armored Transport Inc. truck April 23 in a Seattle shopping center.

Law enforcement sources said they are suspects in a bank robbery and other armored-car robberies, including the July 19 robbery of a Brink's armored car in Ukiah, Calif., that netted \$3.6 million.

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At least three other men are being sought in connection with the Windbey Island raid; the FBI has refused to identify them.

Before the raid, Mathews had written to the Aryan Nations group, predicting his death. "It is only logical to assume that my days on this planet are rapidly drawing to a close," he wrote. "I will leave knowing I have made the ultimate sacrifice to secure the future of my children."

Mathews said he was worried that his son "would be a stranger in his own land, a blond-haired, blue-eyed Aryan in a country populated mainly by Mexicans, mulattoes, blacks and Asians."

One of the more active members of Aryan Nations has been Louis Beam, a computer consultant who was a grand dragon, or presiding officer, of the KKK in Texas.

Aryan Nations has spread its gospel of religious and racial hatred on two computer bulletin boards, the "Aryan Nation Liberty Nets." Anyone with a home computer and a modem can dial into the Aryan Nations system to read denunciations of blacks, Jews, communists, civil rights activists and the U.S. government, which has been nicknamed ZOG, for Zionist Occupational Government.

The group publishes a monthly newsletter, "Calling Our Nation," and a book catalog containing such titles as "The Holy Book of Adolf Hitler," "The Negro: Serpent, Beast and Devil" and "Story of the Ku Klux Klan."

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Arrested racists and the FBI

Last week the FBI broke up a gang of white supremacists who had a plan to overthrow the government and then set about eliminating "Jewish influence" and so forth. It is worth reflecting that, in all probability, the FBI's work in this case was helped by the guidelines that now govern the bureau's collection of data on subversive or violent organizations.

The guidelines, the work of Attorney General William French Smith, replaced the Levi guidelines, named after former Attorney General Edward Levi and incomprehensibly kept in place for several years by FBI Director William Webster. The Levi rules prevented the FBI from performing any kind of surveillance — even assembling publicly available material — on groups

that had not yet, according to reasonable evidence, broken the law, regardless of how violent their stated objectives.

Those who think these rules did no more than protect innocuous "progressives" should think again. Under the Levi guidelines it would have been impossible for the FBI to have gathered any information on the gangsters arrested last week in the absence of the bank heists. If they had been funded by non-criminal sources, the government's hands would have been tied.

The concept of "subversive" includes the the extreme right as well as the extreme left. All those in between are beneficiaries of Attorney General Smith's revisions, for which let us give thanks.

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Leader Claims Neo-Nazis Have Computer Network

DENVER (UPI)—The leader of a white supremacist group whose former member is a suspect in the slaying of a Jewish talk-show host says neo-Nazi groups throughout the United States and Canada are linked by a network of home computers.

Aryan Nations leader Richard Butler of Hayden Lake, Ida., said also that members of his group can call up a computerized list containing the names of Jews, alleged communists and "race traitors."

He told the Denver Post in an interview published Sunday that the lists are not hit lists but are only meant to tip off members of his group to "enemies of the white Aryan race."

Butler said that only members of his group or their close confederates can get the code for the lists but that anyone can call the computers and get other right-wing materials, messages and publications.

To receive the secret lists requires a level-seven clearance, he said. The lists contain addresses of certain Jewish and communist organizations.

Meanwhile, the former Aryan Nations member suspected of killing Denver radio talk show host Alan Berg said from his jail cell in Boise, Ida., that he has never committed a violent crime.

Police disclosed Friday that the gun used to kill Berg was found in Gary Lee Yarbrough's home near Sandpoint, Ida.

"I've never harmed anybody," Yarbrough said at the Ada County Jail, where he is being held without bond on charges that include assault on FBI agents. "I've never been involved in a violent crime or a crime with a handgun."

Yarbrough said also that he has never been in Denver and had not heard of Berg until he saw a television news program on the investigation into his death.

Denver police said that an Ingram .45-caliber submachine gun used to kill Berg last June had been found in Yarbrough's home in October. Yarbrough was arrested on Nov. 24 after an FBI shoot-out at Portland, Ore.

Yarbrough denied that the weapon found in his home was the same one used to kill Berg.

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White Extremists Page 24 PWD/CJ

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NATIONLINE

FROM USA TODAY'S NATIONAL NEWS NETWORK

Home computer network links neo-Nazi groups

Neo-Nazi groups in the USA and Canada are linked by a home computer network that allows subscribers to obtain lists of Jews, suspected communists and "race traitors," one of the USA's leading white supremacists says.

"The lists aren't hit lists, but only meant to tip off members to enemies of the white Aryan race," Aryan Nations leader Richard Butler of Hayden Lake, Idaho, said in the Sunday edition of *The Denver Post*.

Telephone lines are used to transmit messages; the system was set up by Louis Beam, former Grand Dragon of the Texas Ku Klux Klan, Butler said.

Aryan Nations gained the spotlight when ex-member Gary Lee Yarbrough became a suspect in the June slaying of Jewish radio talk show host Alan Berg of Denver. He hasn't been charged in Berg's death, but a gun said to be the murder weapon was found in his Sandpoint, Idaho, home Friday. Berg often derided white supremacist groups.

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Ex-Nazi will appeal ruling

ATTORNEYS FOR a Lithuanian immigrant who has been living on the Southwest Side since 1949 are planning to appeal a ruling that has stripped him of his U.S. citizenship for hiding his past as a Nazi guard at a Polish concentration camp in World War II.

U.S. District Judge James Moran ruled Friday that Luidas Kairys, of 4046 S. Montgomery Ave., had failed to include the fact that he had been a Nazi on his 1957 naturalization papers.

Because of that, Moran ruled that

Kairys had obtained his citizenship fraudulently, and revoked his citizenship.

The Department of Justice, which prosecuted the case, will next try to deport Kairys.

THE FEDERAL government first moved to revoke Kairys' citizenship in August, 1980, alleging that he concealed his Nazi past and lied about his name and date and place of birth. The government contends that he was born Liudvikas Kairys in Lithuania in 1920.

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FBI/DOJ

Revolt Plans Tied to White Supremacists

MONTGOMERY, Ala. (UPI)—Documents from a computer network operated by a white supremacist group contain plans for a revolution aimed at overthrowing the U.S. and Canadian governments, a published report said Tuesday.

The Montgomery Journal-Advertiser said information gathered by the anti-klan group Klanwatch indicates that the racist group advocates revolutions in the United States and Canada by assassinations and terrorism.

The newspaper said Klanwatch obtained the documents from the telephone-linked computer network operated by the Church of the Aryan Nations, an Idaho group suspected of killings and robberies in the Northwest, law enforcement officials said.

The group is also known as the Church of Jesus Christ Christian.

The documents also contained veiled death threats against Montgomery civil rights attorney Morris Dees, the founder of Klanwatch, the newspaper said.

The computer network, called "Aryan Nation Liberty Net," contains messages criticizing federal welfare and foreign aid programs and warns that "mongrelism" and "social experiments" have undermined U.S. society, the Journal-Advertiser reported.

"We shall fight! We shall not allow ourselves to be enslaved as those in Russia. Arm yourselves! Liberate Canada!" one message read.

Another listed enemies of the white supremacist movement who are wanted for "crimes" such as acting as informants for federal law enforcement officials.

The enemies "shall suffer the extreme penalty when lawful government is restored upon this continent," the message read.

One of the enemies singled out is Dees, who filed suit against the klan on behalf of black marchers involved in a 1979 shoot-out with robed klanmen in Decatur, Ala.

"According to the word of our God, Morris Dees has earned two death sentences," one message said.

Dees, whose office was burglarized and firebombed last year, said it was apparent that right-wing supremacist groups have begun a system of terrorism and violence against opponents.

Joe Garner, identified by prosecutors as a klanman, was indicted last month on burglary and arson charges in the Dees case. Prosecutors also claim that Garner, who is jailed under \$468,000 bond, is linked to the Church of the Aryan Nations.

"The evidence is pretty plain that the Aryan Nations and other klan-Nazi groups are working together in a unified underground effort to damage property and assassinate people who are committed to civil rights operations, and government officials, FBI agents and others," Dees said.

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NATIONAL AFFAIRS

A Surprise Break In a Murder Case

The FBI raid on Gary Lee Yarbrough's Idaho home had only one aim: to capture Yarbrough's brother, Steve, an escaped convict from Arizona. Steve wasn't there, and Gary, a member of several neo-Nazi organizations, eluded FBI agents after allegedly wounding two in a shoot-out. But now the FBI has learned that its October raid wasn't a bust after all. A .45-caliber submachine gun found in Yarbrough's house turned out to be the weapon used to murder Denver radio talk-show host Alan Berg.

Berg, who described himself as a guy "you love to hate," was gunned down last June as he stepped from his car in front of his Denver home. Yarbrough, 29, was arrested in Oregon last month on charges of assaulting a federal officer and is being held without bail in Boise, Idaho. The former chief of security for a group called the Aryan Nations denies killing Berg or even having heard of the man before his murder. But he revealed to reporters that he did know one thing that might have made Berg a target of Yarbrough's extremist group. "I know that he was a Jew," said Yarbrough, who is now a member of the White American Bastion—an Aryan Nations splinter group suspected of several bank and armored-car robberies in the West.

So far, no new charges have been filed against Yarbrough. Denver District Attorney Norman Early said premature revelations by The Denver Post alerted Yarbrough and his associates that they were suspects in the murder investigation. "We had hoped to place an informer in his cell," he said. When Denver police investigators arrived in Boise to question Yarbrough, he refused to talk to them at all.

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White Supremacist Linked to Second Heist

PORTLAND, Ore. (AP)—A white supremacist accused of taking part in a Seattle armored car robbery was linked Thursday by the FBI to a second armored car holdup in Northern California, during which \$3.6 million was stolen.

An unidentified but reliable informant placed Denver D. Parmenter, 32, at the scene of the July robbery in Ukiah, FBI agent Norman D. Stephenson testified Thursday at a pretrial hearing for Parmenter.

Parmenter, who was arrested Dec. 18 in Seaside, on the Oregon

coast, faces trial in Seattle on charges stemming from the \$500,000 robbery of an armored vehicle at a shopping mall April 23.

He was ordered to stand trial in the case Thursday and is being held without bond.

Stephenson testified that a second informant told the FBI that the Seattle holdup was intended "to gain funding" for "a white supremacy nation organization."

Parmenter and four others charged in the robbery are members of the Aryan Nations, said Richard Butler, leader of the white supremacist group.

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AROUND THE NATION

FBI Arrests 3rd Robbery Suspect

■ SEASIDE, Ore.—A third suspect wanted in a \$500,000 robbery linked to the neo-Nazi group White American Bastion was arrested by FBI agents, officials said.

Denver Daw Parmenter II, 32, whose last known address was in Cheney, Wash., was apprehended without incident, the FBI said.

A warrant for Parmenter's arrest issued Dec. 5 said he and five others robbed an armored car of about \$500,000 at a Seattle shopping center April 23.

The other five have been linked to the Church of Jesus Christ Christian Aryan Nations and the spinoff White American Bastion, the FBI said. Agents declined to say whether Parmenter was an active member of either group.

Two of the suspects in the armored-car heist were arrested earlier and a third was killed in a Dec. 8 shootout. Two other suspects are at large.

The Washington Post A-8
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Tiny band of fascists emerging as threat

By PENNY SPAR
 United Press International

The White American Bastion, a tiny band of fascist fanatics armed with machine guns and a visionary neo-Nazi blueprint for violent revolution, has burst from obscurity in a blaze of gunfire over the past weeks.

The group, believed to have fewer than 12 members, has been linked to the gangland-style murder of a liberal Jewish radio talk-show host at his Denver home, two armored car robberies netting \$3.5 million in California and Washington state and a spectacular shootout with the FBI near Seattle in which its chief apostle was believed to have been killed.

The White American Bastion, with roots in northern Idaho, plotted to overthrow the U.S. government by 1980, financing its "revolution" with robberies and counterfeiting operations, according to FBI affidavits filed in U.S. District Court in Seattle.

WHILE FBI officials refuse to divulge details of their investigation, other law enforcement officials say the White American Bastion was a splinter group formed by members and associates of the Church of Jesus Christ Christian Aryan Nations, a white supremacist sect based in Hayden Lake, Idaho.

Some members of the Aryan Nations were dissatisfied with the lack of action by their leader, Richard Keith Scott, a law enforcement official says. He denied that his church has anything to do with the White American

Robert J. Mathews, who appeared in a shootout with the FBI and is believed to have written a book called

"Turner's Diaries," published by the National Alliance, a right-wing association based in Washington, D.C. Mathews reportedly earned money from the National Alliance by distributing its literature.

"TURNER'S DIARIES" describes the plan by a band of right-wing fanatics to take over the country through a series of political assassinations, nuclear attacks, disruption of public facilities and the systematic elimination of minorities and the "liberal Jewish press," according to a federal affidavit.

It appears from federal court records that the White American Bastion put the book's plan into operation earlier this year.

Officials allege that:

► On April 23, the group held up an armored car in Seattle, escaping with \$500,000 in cash.

► On June 18, talk-show host Alan Berg was machine-gunned to death in the driveway of his home by group member Gary Lee Yarbrough, 29, of Sandpoint, Idaho.

► On July 19, members of the group staged a daylight robbery of a Brinks armored car in Ukiah, Calif., fleeing with more than \$3 million in cash.

► On Oct. 18, Yarbrough shot at officers at his home in Sandpoint as they sought his brother, Steve.

► On Nov. 24, Mathews wounded an FBI agent during a shootout at a Portland, Ore., motel before he escaped; police captured Yarbrough.

THE FBI SAID a search of Yarbrough's home turned up thousands of dollars in cash and \$15,000 worth of weapons, including 100 sticks of dynamite, plastic explosives, hand grenades, infrared vision telescopes and semiautomatic rifles.

On Friday, police in Denver confirmed that ballistic tests of one of the weapons found in Yarbrough's

Yarbrough said Saturday at the Ada County Jail in Boise, Idaho. "I've never been involved in a violent crime or a crime with a handgun."

The latest violent episode for the White American Bastion began Dec. 7, when more than 100 FBI agents converged on Whidbey Island in Puget Sound near Seattle, where several members of the group — including Mathews — were hiding.

OFFICERS ARRESTED four of the fugitives without incident.

But Mathews holed up in a house surrounded by an FBI SWAT team for 36 hours. He repulsed with machine-gun fire two attempts by the FBI to storm the house Dec. 8.

Even after FBI officers in a helicopter set the house ablaze by firing illumination flares into it, Mathews kept up a barrage of automatic-weapons fire. The house blew up in a ball of flame, and the next day officers recovered a charred body — believed to be Mathews' — from the rubble.

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Neo-Nazi denies link to killing

By Carolyn Pesce
 and Dan Popkey
 USA TODAY

A neo-Nazi leader suspected in the shooting death of controversial Denver radio talk show host Alan Berg admitted Tuesday that someone gave him the gun identified as the murder weapon — but denied any connection to the crime.

The statements by former Aryan Nations member Gary Yarbrough came amid a flurry of concern by authorities that his group is linked to criminal activities by white supremacist groups across the USA.

FBI spokesman Lane Bonner said a federal investigation of the Aryan Nations — a network of white, anti-Semitic groups believing in separation of the races — is going on "in various locations around the country," involving a "great number of FBI field offices."

Aryan Nations followers have been linked to a number of crimes in the Northwest — including a \$50,000 Brink's armored car robbery in Seattle.

The gun was confiscated when FBI agents stormed Yarbrough's home in October in an attempt to arrest his brother on grand theft charges.

Yarbrough, who fled the

raid, was later arrested in a shoot-out Nov. 24 and charged with assaulting a federal agent. Last week, Denver police confirmed the gun found in his home was the weapon that killed Berg. He has not been charged in the crime.

Latest developments in the neo-Nazi controversy:

■ "I know nothing about Alan Berg, except that he's a Jew," Yarbrough told reporters Tuesday at the Ada County Jail in Boise, Idaho.

Asked to speculate on who killed Berg, Yarbrough said, "God." He refused to talk to two Denver detectives investigating the Berg case Tuesday and wouldn't say who gave him the weapon.

■ In Seaside, Ore., Denver Daw Farmer II — one of six suspects in the April Brink's robbery linked to the group — was arrested, the FBI said Tuesday.

■ Aryan Nations leader Richard Butler said in Coeur d'Alene, Idaho, he regards Yarbrough and his roommate Robert Mathews — killed in a gun battle with FBI agents Dec. 8 in Whidbey Island, Wash. — "to be of the highest of idealism and moral character." He said he didn't believe them capable of violent crime.

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The Region

2 'Revolutionaries' Held Without Bail

NEWARK, Dec. 17 (AP) — Two self-proclaimed revolutionaries, including a woman who had been sought in connection with the bungled Brink's armored-car robbery three years ago in Nanuet, N.Y., were ordered held without bail here today after a hearing in Federal Court.

Judge Frederick B. Lacey said he would issue a written opinion Tuesday giving reasons for his action. The two defendants, Susan Lisa Rosenberg, 39 years old, and Timothy H. Blank, 27, face trial in February.

The pair, both New York City residents, pleaded not guilty last week to an indictment on weapons and explosives charges handed up Dec. 6, seven days after they were arrested by a Cherry Hill, N.J., police officer while reportedly unloading explosives at a rented storage bin.

The defendants were returned to the Metropolitan Correctional Center in Manhattan, where they had been housed while Judge Lacey held hearings to determine whether their release would pose a risk.

During today's session, their attorney, Susan Tipograph, complained that the two helicopters and 15 police cars that escorted the defendants to the proceedings were unnecessary. Judge Lacey ordered briefs submitted on both subjects by Friday.

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The Nation

Two women have been charged with receiving \$20,000 from a \$3.8-million California armored car robbery that the FBI alleges was committed by white supremacists, authorities said in Boise, Ida. Suzanne Stewart, 27, and Jean Craig, 50, both of Boise, were being held without bail pending arraignment in federal court today. Stewart is the daughter of Sharon Merki, who, her husband, Robert E. Merki, was charged last month with harboring a fugitive member of a neo-Nazi group, FBI spokesman Don Wofford said.

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News in Brief

The State

Two men accused of participating in a white supremacist group's \$3.6-million armored car robbery in Northern California were ordered held without bail in Kalispell, Mont. Virgil Barnhill, 28, and Richard Harold Kemp, 22, did not resist when police and FBI agents, acting on a tip, arrested them at a downtown bar, Police Chief Martin Stefanie said. A U.S. magistrate denied bail for Barnhill and Kemp, who face a hearing in Missoula on whether they will be returned to face charges in the Brink's holdup near Ukiah on July 19. The men are believed to be members of the Aryan Nations, an Idaho-based white supremacist group, Stefanie said.

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ON THE RADIO

THREATENED SENATOR ADDRESSES BROADCASTERS

By DENNIS McDUGAL,
Times Staff Writer

PALM SPRINGS—Sen. Robert Packwood (R-Ore.), the target of an alleged assassination plot less than a week ago, made his first public appearance here Monday at the California Broadcasters Assn. winter conference.

Here to debate the 50-year-old fairness doctrine, Packwood told The Times before the conference that he had been advised by the FBI over the New Year's holiday that the white supremacist Aryan Nations organization planned to murder him.

Packwood said that he believed that he had been targeted by the group because of his pro-Israel and anti-racist stands in Congress.

"My hunch is they (the FBI) may have infiltrated (the militant organization), because they had very specific information about where and when the assassination attempt would take place," Packwood told The Times before the conference.

According to the FBI, the terrorist group is believed to have been responsible for the assassination last June of Denver talk-show host Alan Berg outside his condominium.

Packwood said that he was under surveillance and high security most of last week but that the danger had apparently now passed. About 20 to 30 individuals compose the Aryan Nations group, Packwood estimated.

In recent years, the organization has been headquartered in Idaho where it reportedly has gone on outdoor maneuvers in much the way an army might and, two months ago, was involved in a shootout in Metaline Falls, Wash., in which an Aryan Nations member was killed by the FBI. It was in the wake of that shootout that the FBI reportedly discovered the automatic weapon that allegedly was used to murder Berg.

Berg, like Packwood, had been an outspoken critic of communism and racist organizations.

Packwood has also been an outspoken critic of the fairness doctrine, which forces radio and television station owners to cover all sides of important public issues.

"You're not going to get any kick from Congress (about the fairness doctrine)," said Packwood during an hourlong debate before 200 broadcasters with doctrine proponent Charles D. Ferris, former chairman of the Federal Communications Commission.

"The incumbents always get coverage," Packwood argued. "I don't think we're going to make any changes."

Two years ago, Packwood tried to phase the fairness doctrine out of existence for a five-year period as an experiment but couldn't get enough votes on his own committee—the Senate Commerce Committee—to move his proposal to the full Senate.

Both Packwood and Ferris agreed on one point: that most legislators fear television.

Following their debate on the opening day of the California Broadcasters Assn.'s two-day winter convention, a mock vote clearly and predictably showed that California broadcasters agreed totally with Packwood that the fairness doctrine has outlived its usefulness. Ferris cast the only vote for the rule in an informal poll.

Summing up the overriding fears of the majority of Packwood's Capitol Hill colleagues, Ferris told the broadcasters that the feeling in Washington is that broadcasting—specifically network television broadcasting—creates a "road map of the national consciousness." That potential for massive national influence continues to require a fairness doctrine to ensure non-partisan and unbiased presentation of news and opinion, Ferris argued.

Drawing a parallel to a lesson he learned his first year in law school, Ferris said: "If you let me write the facts, I'll tell you what any judge will decide."

Broadcasters should not yet have the right to "write the facts" without presenting opposing points of view, he said.

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News in Brief

The State

A Philadelphia man linked to an extreme white supremacist group and being held in connection with a \$3.6-million Ukiah-area armored car holdup last July was indicted in Spokane, Wash., for alleged possession of a forged government document and interstate transportation of a forged security. The indictment of James Dye, 36, meant cancellation of a probable cause hearing on the armored car charges. The government would have been forced to reveal much of its evidence at the hearing. Federal authorities say they believe 12 people were involved in the robbery as well as another armored car holdup and bank robbery in the Seattle area.

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Packwood and Family Are Guarded After Threat

WASHINGTON, Jan. 3 (AP) — Bob Packwood, the new chairman of the Senate Finance Committee, and his family received intensive police protection for the past week after they were threatened by a neo-Nazi group, an aide to the Senator said today.

The Capitol police lifted the special protection Wednesday after determining that there was no further immediate danger, said Erna Fielek, Mr. Packwood's spokesman.

Threat to Senator in 1977

The protection for the Oregon Republican and his family began Dec. 26 after an informer told the Eugene, Ore., office of the Federal Bureau of Investigation that Aryan Nations, a white supremacist group, planned to assassinate Mr. Packwood before the new year, the Senator's spokesman said.

Mr. Packwood made his first public appearance since Christmas at a meeting of the Finance Committee, which he took over as the 99th Congress convened.

Eight to 10 officers of the Capitol po-

lice provided the 24-hour-a-day protection for Mr. Packwood; his wife, George; their son, Bill, 17; and their daughter, Shyla, 14.

Senator Packwood received Federal protection for himself and his family in 1977 after a radical Arab group threatened to kidnap and kill his children because of his support for Israel.

"In the past, I have had miscellaneous personal threats," Packwood said. "That's the risk in this job. It's a lot more frightening when it's your family."

Some members and former members of the Arab group have called for the violent overthrow of the United States Government through terrorism and killing. Members of the group say they are the chosen descendants of the Biblical tribes of Israel.

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Supremacist... is arrested in Brink's heist

SPOKANE, Wash. (AP) — A second member of the white supremacist group The Order was arrested Thursday for the \$3.6 million armored truck holdup in northern California in July, authorities said.

James Dye, 31, also known as Grant Ullrig, was arrested without incident by FBI agents at noon in the parking lot of a suburban convenience store near his home in the Spokane Valley, said Allen P. Whitaker, special-agent-in-charge of the FBI's Seattle agency.

The FBI says 12 members of The Order, which it describes as a "right-wing splinter group affiliated with the Aryan Nation," robbed a Brink's armored car July 19 near Ukiah, Calif., about 100 miles north of San Francisco.

Dye has not been mentioned in the holdup or other crimes blamed by officials on a network of neo-Nazis. His presence in Spokane had been known for "several months," Whitaker told a Spokane news conference.

At a court hearing following, U.S. District Judge Justin L. Quackenbush ordered Dye held without bail pending a hearing Monday.

The only other defendant identified so far is Denver Parmenter, 32, of Cheney, Wash., who was arrested in Seaside, Ore., Dec. 18 and was charged last Friday. He is being held without bail in Portland.

Meanwhile, a federal grand jury in Seattle returned a 16-count indictment Thursday against four people arrested in FBI raids on suspected neo-Nazi hideouts on Whidbey Island in Puget Sound in December.

Randolph George Duey of Spokane; Robert E. and Sharon K. Merki, 49 and 46 respectively, formerly of the Oroville area; and Ian Roy Stewart, 21, hometown unknown, were charged with two counts of harboring Robert J. Matthews, 31, of Metaline Falls, "at Whidbey Island ... and elsewhere" from Nov. 24 until their arrest Dec. 7.

(Indicate page, name of newspaper, city and state.)

ROCKY MT. NEWS
DENVER, COLORADO

Date: 1/4/85
Edition:

Title:

Character: 192B-110
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Classification:
Submitting Office: DENVER

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NATIONLINE

FBI NABS SUSPECTED NEO-NAZI: James Dye, 36, a suspected neo-Nazi accused of participating in the \$3.6 million robbery of a Brinks armored car in Ukiah, Calif., last July, was arrested at his home in Spokane, Wash., Thursday. Denver Daw Partmentier II, 32, of Cheney, Wash., also is in custody, charged with the heist. And in Seattle, a federal grand jury indicted four people accused of harboring self-proclaimed neo-Nazi Robert J. Mathews on Whidbey Island until a day before he died in a fiery explosion on Dec. 8 after FBI agents fired flares into the house where he had held on agents for 36 hours.

The Washington Post _____
 The Washington Times _____
 Daily News (New York) _____
 The New York Times _____
 The Wall Street Journal _____
 The Chicago Tribune _____
 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today 3A

Date 1-4-85

Page 5 FBI/DOJ

**ESCAPED FEDERAL PRISONER;
CONSPIRACY TO COMMIT ARMED BANK ROBBERY
MARILYN JEAN BUCK** TM 64-614



MEMBER: MARILYN BUCK, DAN BRIDGES, LOUISE BRUCE, CHRIS CULL, BOB FLEMING, CARL HARRIS,
BOB CHAMBERLIN, TRICELLA SCOTT

WINDCRAFT

1. **NAME:**
 2. **ADDRESS:**
 3. **CITY:**
 4. **STATE:**

70, BORN [illegible] 12, 1947, THOMAS TERRY
5'8"
130 POUNDS

NAME: [REDACTED] SEX: [REDACTED]
COMPLEXION: [REDACTED] HAIR: [REDACTED]
RACE: [REDACTED] EYES: [REDACTED]
NATIONALITY: [REDACTED]

[REDACTED]

BEHIND (LOOKS TO SEEN VARIOUS COLORED SHES.
RANGING FROM DARK BROWN TO STRAWBERRY-BLOOD)
LABORATORY TECHNOLOGIST, LIBRARIAN, SUTTONS, JUNIOR, SECRETARY, TYPEWRITER
CLARK, POOR GRASS

SECRET

CLARK, FOOD READER
SCAR ON LEFT ARM; SCAR ON RIGHT ARM SHOWS THE KIDS FROM GUNSHOT WOUND
LEFT EAR PROSCRIPTION GLASSES ON CONTACT LENSES; LEFT EYE IS HEAVILY FIMBRIATED.
WEAVING BLANK AND BROWN CLOTHES; DEALER WITH SUFFICIENTLY LIMP. USING CAME OCCASIONALLY;
HAS BEEN KNOWN TO WEAR A PROSTHETIC SHOE ON RIGHT FOOT; KNOWN TO HAVE ALLERGIES;
TAKES MEDICATION FOR HTYDRAIS CONDITION; DEALER FOOD USED; REPORTEDLY KNOWLEDGEABLE
IN SPANISH LANGUAGE

RESEARCH DESIGN

The subject of this FBI poster lived in an apartment in New Haven in 1963 and 1964.

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2 Brink's Workers Held in Vault Plot

By KATHERINE BISHOP

Special to The New York Times

SAN FRANCISCO, Jan. 31 — Two employees of Brink's Inc. are facing Federal charges that they plotted to rob the armored car service's main vault in San Francisco to help finance an anti-Semitic extremist group that was plotting to take over the Federal Government.

One of the two is Charles E. Ostrout, who is also charged with aiding in the \$3.6 million armed robbery of a Brink's truck last July 19 near Ukiah, Calif. The Federal authorities say they believe the money was meant to be used in part to support a extremist group, known as the Order, or the Silent Brotherhood.

The men were arrested Wednesday. Mr. Ostrout, 51 years old, who is on disability leave from his job as a Brink's supervisor, was arrested in Lookout, Calif., in rural Modoc County, near the Oregon border. He is to be arraigned Friday in Federal District Court in Sacramento.

F.B.I. Ties Both to Group

The other suspect, Ronald Allen King, 45, is the operations manager at the San Francisco branch. He was arrested in Hayward, about 12 miles southeast of here. A Federal magistrate in San Francisco held him without bail pending arraignment Monday.

According to affidavits by the Federal Bureau of Investigation, both men are members of the Order. Over the last two months 17 people in six states have been charged with crimes related to activities of such a group.

According to the F.B.I. affidavits, the investigation began with the arrest Nov. 24 of Gary Lee Yarborough in a shootout with bureau agents near Portland, Ore. Robert J. Mathews, who is believed the leader of the Order, escaped.

A list of code names and telephone numbers for members of the Order were found in a car that Mr. Yarborough and Mr. Mathews had been using, the affidavit said. This information, the F.B.I. papers said, eventually led last July to an apartment shared by Mr. King and Mr. Ostrout in San Lorenzo, Calif., just south of Oakland.

Two F.B.I. sources, who are said to have taken part in the robbery in Ukiah, said Mr. Ostrout met in advance with Mr. Mathews and gave him information about the route the truck would take and the amount of money in it.

5 Accused of Harboring

Mr. Mathews died in a 36-hour siege by law-enforcement officers at a house on Whidbey Island in Puget Sound, Wash., on Dec. 7. Charged with harboring Mr. Mathews in that case are Frank Lee Silva, who the authorities

say is the former leader of the Ku Klux Klan in Los Angeles; Randolph G. Duey; Ian Roy Stewart; his mother, Sharon Merki, and her husband, Robert Merki.

Mr. Stewart's sister, Suzanne C. Stewart Hamilton, and another woman, Jean Craig, were arrested this month in Boise, Idaho, and charged with receiving money stolen in the Brink's robbery. Mrs. Hamilton's husband, Luke, has been charged with counterfeiting.

Already charged in connection with the Brink's robbery are Andrew Virgil Barnhill and Richard Harold Kemp, arrested in Kalispell, Mont.; James Dye, arrested in Spokane, Wash., and Denver Dew Parmenter 2d, arrested in Portland. They were all apprehended this month.

Assistant United States Attorney Peter Robinson said the Government intended to charge Mr. Yarborough and Mr. Duey in the Brink's robbery.

At a news conference last month at the headquarters of the the Aryan Nations, a white supremacist organization, at Hayden Lake, Idaho, that group's leader, Richard Girnt Butler, said Mr. Mathews, Mr. Yarborough, Mr. Duey and Mr. Parmenter had been members. Mr. Butler, who also heads an anti-Semitic group, the Church of Jesus Christ Christian, said the four men attended his church.

The Washington Post _____
 The Washington Times _____
 Daily News (New York) _____
 The New York Times A12
 The Wall Street Journal _____
 The Chicago Tribune _____
 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today _____

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(Indicate page, name of newspaper, city and state.)

HORIZON

ROANOKE TIMES & WORLD NEWS

ROANOKE, VIRGINIA

Date: 1/27/85

Armed neo-Nazi sect ready for revolution

Aryans linked to murder, bombings, robberies

om wire reports

WASHINGTON — Federal law enforcement officers are cracking down on a far-right-wing sect in the West that they view as increasingly dangerous as it attempts to read nationwide.

The group has been linked to nine months of violent times seemingly patterned after a 1978 novel in which white supremacists and tax protesters overthrow the government.

The 12-year-old group, known as the Aryan Nations Church of Jesus Christ Christian, has been tied to a murder of a controversial Denver talk-show host, a nagogue bombing in Idaho, shootouts with police in several states and two armored car robberies in California and Washington state.

In addition, the Secret Service has uncovered a full-scale printing operation for counterfeiting \$20 and \$100 bills, with presses as far apart as Philadelphia and the Pacific Northwest. Officials said the group has used the guns, bills, along with cash from robberies, to fund its activities.

The federal Bureau of Alcohol, Tobacco and Firearms is investigating the sect's acquisition of heavy weapons, including submachine guns and hand grenades, and the Internal Revenue Service is examining the activities of some heavily armed sect members on tax evasion charges.

According to John M. Walker Jr., chief of enforcement at the Department of the Treasury, the Aryans are as violent as any group we've ever encountered.

FBI Special Agent Norman D. Stephenson told a federal magistrate in Seattle that the group's goal is the violent overthrow of the U.S. government by killing, robbery and counterfeiting. He cited a "declaration of war" against blacks, Jews and the federal government issued by 12 of the neo-Nazis.

Law enforcement officers say the group and its affiliate units, variously known as the "White American Nation," "The Order" or "Bruder Schweigen" (Silent Brotherhood), essentially is acting out in real life the plot of a fictional Nazi fantasy.

The current outburst of violence tracks fairly close with the plot of a novel, "The Turner Diaries" by white supremacist William Pierce of Arlington, Va.

That book relates a successful revolution by heavily armed American neo-Nazis. In the book, the Nazis murder several prominent Jews, bomb the FBI headquarters and finally attack Israel with nuclear weapons.

41 The emerging picture of violence linked to the Aryan Nations



Gordon Kahl
Declared a martyr



Robert Mathews
'Hero' died in siege

ly considered violent except for scattered incidents in which gun-toting members occasionally threatened lawmen.

But according to court documents and law enforcement officials, young militants recently have come to the fore in the group. They appear to be bent on implementing the "The Turner Diaries."

The "church" and the Aryan Nations group are descendants of hate groups that flourished during the Great Depression.

In 1970, Butler, a California aeronautical engineer, became a follower of Dr. Wesley Swift, one of the more active Depression-era white supremacists.

In 1973, Butler moved the operation to a fenced and secluded 20-acre site at Hayden Lake, Idaho, on the edge of Coeur d'Alene National Forest, near the banks of a pure, ice-blue lake surrounded by a dense stand of dark-green Douglas fir.

The church's name reflects Butler's angry rejection of the assertion that Jesus Christ was born a Jew. The name "Aryan Nations" reflects his belief that the "white nations" of the world, in North America and Western Europe, are the true Aryan descendants of the original tribes of Israel, described in the Bible as the Chosen People.

Butler, 65, a nervous, thin-faced man with a surprisingly unmenacing manner — his conversation is laced with "Gee" and "Heck" — set about spreading his views that Jews and blacks are the children of Satan and

Butler said in an interview that he views his mission as spreading the message.

"We must win the hearts of the people," he said. "It is a battle, or a war, for minds. It can only be done in the end."

The group, in addition to its racism, holds that the federal government's power to tax deprives citizens of their basic rights, and that overthrowing the government may be achieved more easily if citizens withhold payment of federal income taxes.

Although the sect claims it has up to 8,000 members and readers of its literature, Assistant FBI Director William M. Baker says the FBI estimates the "hard core" to be a cadre of 100 to 150.

Among the group's affiliates are members of the Ku Klux Klan, the American Nazi Party and some radical adherents to the doctrine of Posse Comitatus, which recognizes no law above the county level. One Posse Comitatus adherent who attended Aryan Nation functions, Gordon Kahl, was killed in May 1983 in a bunker in Arkansas after a cache of explosives and ammunition was seized in a gunfight with federal agents, but not before he was shot and killed by a sheriff. The Aryan Nations has declared him a martyr.

Kahl, a tax protester with a history of anti-Semitic and anti-black activity, was a fugitive sought in the slayings of two federal marshals in North Dakota.

Federal agents investigating those killings began uncovering links among heavily armed right-wing extremists. These overlaps also were reported by such groups as the Anti-Defamation League of B'nai B'rith, which is monitored and talked to informers in groups such as the Ku Klux Klan.

The extremist network is loose-knit and nationwide in scope, but concentrated in small pockets in the Middle East, the West and the South.

Although the investigators say it is united more by ideology and theology than by organization or hierarchy, some constituent groups are being linked by a rudimentary computer network being set up by Louis Beam, a Texas Ku Klux Klan leader and computer consultant, based in Dallas.

According to an Aryan Nations newsletter, Beam is ambassador at large of the Aryan Nations.

The Aryans have drawn special attention and expressions of concern from Stanley E. Morris, director of the U.S. Marshals Service, some of whose officers have been shot or assaulted as they attempted to serve court papers on extremist group members.

One person linked to the group, federal investigators said, had plans of a power dam in northern Washington. Among the group's announced aims is destruction of utilities and communications, although there was no confirmation of any plan to sabotage the dam.

The federal agents also seized racist tracts, including one detailing a "point system" for gaining hero status as an "Aryan warrior" by murdering Jews, blacks, federal judges and FBI agents.

One hand-written tract declared "war" against the "Zionist Occupation Government" and the "Jew-controlled media," and warned of "daily firefights" between law enforcement officials and the "heavily armed white American Revolutionary Army."

Some organizations affiliated with the racist alliance have computerized "Aryan Nations" with names and addresses of Jewish organizations, purported Communist agents and some members of the media.

One young militant, Robert Jay Mathews, 31, died inside a burning farmhouse near Seattle on Dec. 8 in a shootout with federal officers attempting to arrest him on assault and weapons violation charges. The house caught fire when an FBI SWAT team fired a nighttime illumination flare that accidentally hit the frame building, in which Mathews had stored explosives.

Mathews, who had left the Aryan church to form an affiliated group called the White Aryan Bastion, was recently termed a "hero" of the sect by Butler.

In a federal court affidavit, the U.S. attorney's office in Seattle said that before his death, Mathews invited

ed a few associates to join what he called "The Order." That is the name of a paramilitary underground group known as "The Turner Diaries."

Some activities of Mathews and his followers closely paralleled events in the novel, officials say, and court papers indicate that Mathews recommended the book to his associates. The book describes pitched battles with law enforcement officers and the use of robberies and counterfeiting to fund a white supremacist organization.

Pierce, the author of the novel, refused to discuss his book and the question of whether it has served as a guide for the extremist violence.

Since Mathews' death, Gary Lee Yarbrough, a close associate of Mathews and former bodyguard of Butler, has been arrested on charges of assaulting federal officers in connection with an armored car holdup last April in Seattle.

A search of his Idaho home led authorities to consider him a prime suspect in the murder of Alan Berg, a Jewish talk-show host who had publicly belittled extremist groups. Berg was gunned down outside his Denver town house in June. The search turned up a cache of weapons ranging from an Uzi submachine gun and loaded crossbows to a "Mac-10" automatic pistol — the weapon used to kill Berg.

Yarbrough has denied any role in the slaying.

Related searches of other homes of Aryan Nations-linked defendants have turned up four crossbows, booby traps, infrared night-vision scopes, 100 sticks of dynamite, three-quarters of a pound of C-4 explosives along with detonating wire, two .45-caliber semi-automatic weapons (one equipped with a silencer), a Mini-14 Ruger .223-caliber semi-automatic rifle, a bandolier of buckshot shotgun shells and a hand grenade.

Informants have told Denver police that Beam had boasted privately of killing Berg. But police have discounted this information, saying there is no supporting evidence.

According to the FBI's Baker, Aryan members or sympathizers also have been linked to an armored car holdup last July in Ukiah, Calif. It and the Seattle robbery were conducted "to fund further criminal acts by members or offshoots of the Aryan Nations," he said. More than \$4 million in cash was taken in the two holdups.

More cash was obtained through the counterfeiting ring, which authorities said also was used as part of the extremists' effort to disrupt the Federal Reserve System. Some Aryan Nations publications describe the central banking system as a tool of Jews. Robert E. Merkle and his wife, Sharon, are to be tried next month in Seattle on charges they organized the ring.

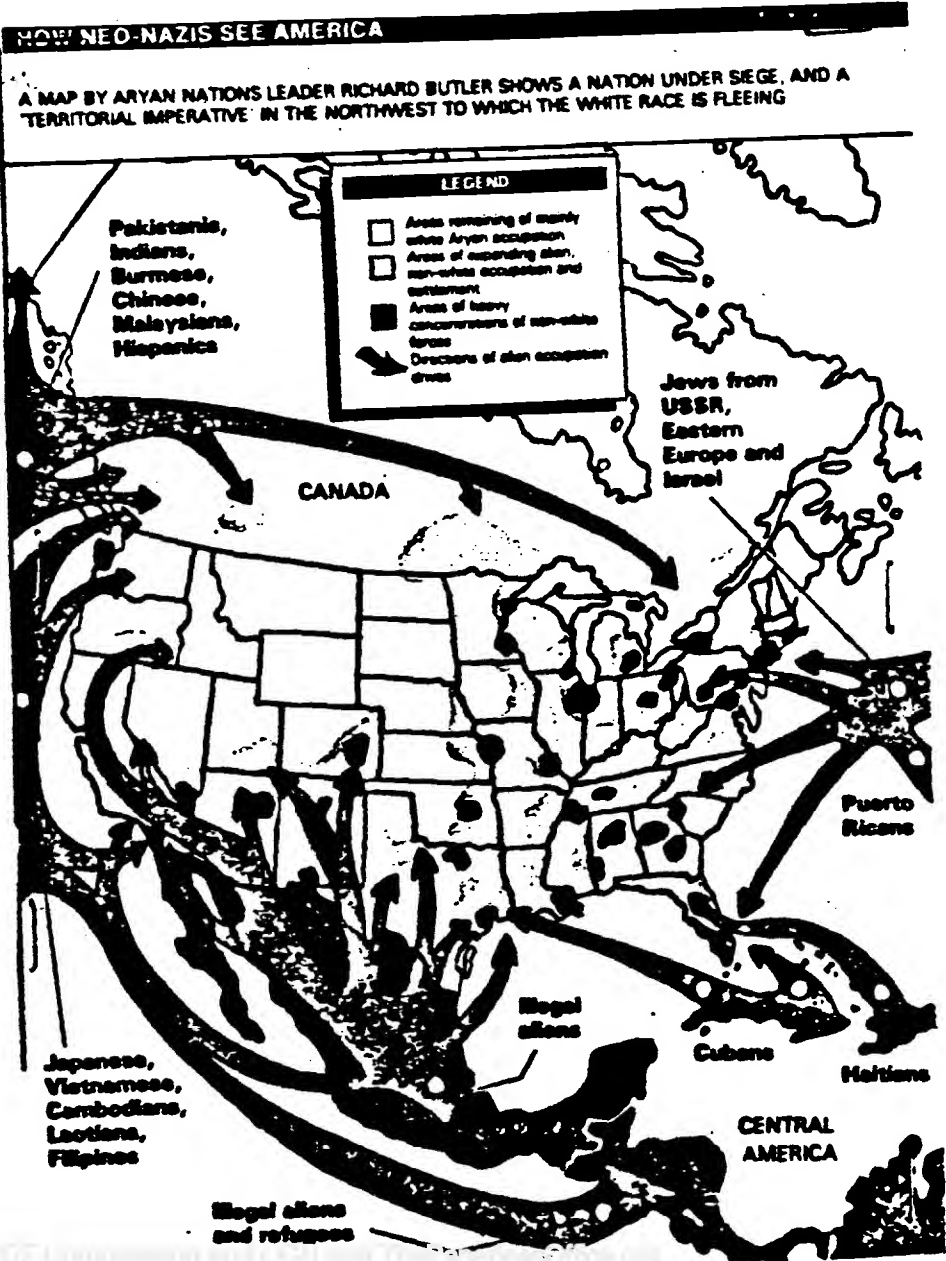
In all, the FBI has arrested 11 suspects in connection with the armored car heists, for harboring Mathews

and for assisting federal officers. Two suspected armored-car bandits, Andrew Virgil Barnhill and Richard Harold Kemp, were taken into custody earlier this month while playing poker in a bar in Kalispell, Mont. Baker said sect members also are under suspicion in the April 29, 1984, fire-bombing of a synagogue in Boise, Idaho.

Under Beam's direction, the Aryan group has spread its propaganda of white supremacy and tax protest on two computer bulletin boards called the "Aryan Nation Liberty Nets." Anyone with a home computer and a modem can tap into the Aryan system to read denunciations of blacks, Jews, communists and federal agents.

Authorities familiar with the computer network say it also has contained threats against prominent civil rights activists such as attorney Morris Dees of Montgomery, Ala. Other messages advocate the use of terrorism and assassination to overthrow both the U.S. and Canadian governments, they said.

This article was compiled from reports by Robert C. Jackson and Ronald Ostraw of the Los Angeles Times, Wayne King of The New York Times and T.R. Reid of The Washington Post.



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Robbery trial set

Portland, Ore. (AP)—A Feb. 6 trial is set for Denver Daw Parmenter 2d, 36, linked by the FBI to the Aryan Nations, a white supremacist group accused in two West Coast armored car robberies last year that netted \$4.1 million.

The Washington Post _____
 The Washington Times _____
 Daily News (New York) P.4 _____
 The New York Times _____
 The Wall Street Journal _____
 The Chicago Tribune _____
 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today _____

Law in War on Far-Right Sect

White Supremacists Tied to Western Crime Spree

By ROBERT L. JACKSON
and RONALD J. OSTROW,
Times Staff Writers

WASHINGTON—Federal law enforcement officers are waging an intensive crackdown on a far-right-wing sect in the West that has been linked to nine months of violent crimes seemingly patterned after a 1978 novel in which white supremacists and tax protesters overthrow the government.

The 12-year-old group, known as the Aryan Nations or the Church of Jesus Christ Christian, has been tied to the murder of a controversial Denver talk-show host, a synagogue bombing in Idaho, shoot-outs with police in several states and two armored car robberies in California and Washington state.

In addition, the Secret Service has uncovered a full-scale printing operation for counterfeiting \$20 and \$100 bills, with presses as far apart as Philadelphia and the Pacific Northwest. Officials said the group has used the bogus bills, along with cash from robberies, to fund its activities.

The federal Bureau of Alcohol, Tobacco and Firearms is investigating the sect's acquisition of heavy weapons, including submachine guns and hand grenades, and the Internal Revenue Service is examining the activities of some heavily armed sect members on tax evasion charges.

According to John M. Walker Jr., chief of enforcement at the Treasury Department, the Aryans are "as violent as any group we've ever encountered."

Pattern Proves Puzzling

The emerging pattern of violence linked to the Aryan Nations puzzles some authorities because the group was founded in 1973 in the peaceful Idaho community of Hayden Lake by avowed racist Richard Girnt Butler. It was not previously considered violent except for scattered incidents in which gun-toting members occasionally threatened lawmen.

But according to court documents and law enforcement officials, young militants have recent-

Jews, blacks and members of other minorities are slain and the government is overthrown.

The group, in addition to its racism, holds that the federal government's power to tax deprives citizens of their basic rights, and that overthrow of the government may be achieved more easily if citizens withhold payment of federal income taxes.

Although the sect claims it has up to 8,000 members and readers of its literature, Assistant FBI Director William M. Baker says the FBI estimates the "hard-core" to be a cadre of 100 to 150 persons.

According to Wes McCune, executive director of Group Research Inc. of Washington, a nonprofit organization that monitors far-right activities, the Aryans are loosely allied with the Ku Klux Klan but generally are not as visible or as well-organized.

Baker said the Aryan Nations "derive members and concepts" from the former Idaho chapter of Sheriff's Posse Comitatus, a militant tax-revolt group. Gordon Kahl, one of that group's leaders, was killed in a 1983 shoot-out with authorities in Arkansas, more than a year after he killed a U.S. marshal and a deputy and wounded a police officer.

As a result, the Aryans have drawn special attention and expressions of concern from Stanley E. Morris, director of the U.S. Marshals Service, some of whose officers have been shot or assaulted as they attempted to serve court papers on extremist group members.

Attracted to Various Issues

Morris said such groups "support issues that on the surface have a superficial appeal to many Americans, such as objecting to taxes and opposing heavy federal and state regulation."

Paradoxically, he added, members "commit illegal acts but wrap themselves in the American flag, . . . assault the police but view themselves as religious and God-fearing . . . (and) talk of freedom but support virulent racial and religious bigotry."

Authorities note that younger, more militant Aryan adherents have come to the fore in recent months, replacing the leadership of 61-year-old founder Butler, whose "violence" had been confined to his fiery, racist speeches.

McCune of Group Research Inc. says "church" members may be "feeling their oats" with the nation's political atmosphere appear-

a shoot-out with federal officers attempting to arrest him on assault and weapons violation charges.

Mathews, who had left the Aryan church to form an affiliated group called the White Aryan Bastion, was recently termed a "hero" of the sect by founder Butler.

In a federal court affidavit, the U.S. Attorney's office in Seattle said that before his death, Mathews invited a few associates to join what he called "The Order." That is the name of a paramilitary underground group in "Turner's Diaries," written by acknowledged racist William Pierce of Arlington, Va.

Some activities of Mathews and his followers closely paralleled events in the novel, officials say, and court papers indicate that Mathews recommended the book to his associates. The book describes pitched battles with law enforcement officers and the use of robberies and counterfeiting to fund a white supremacist organization.

Since Mathews' death, Gary Lee Yarbrough, 29, a close associate of Mathews and former bodyguard of Butler, has been arrested on charges of assaulting federal officers in connection with an armored car holdup last April in Seattle.

A search of his Idaho home led authorities to consider him a prime suspect in the slaying of Alan Berg, a Jewish talk-show host who had publicly belittled extremist groups. Berg was gunned down outside his Denver town house in June. The search turned up a cache of weapons ranging from an Uzi submachine gun and loaded crossbows to a "Mac-10" automatic pistol—the weapon used to kill Berg.

Yarbrough has denied any role in the slaying.

Related searches of other homes of Aryan Nations-linked defendants have turned up four crossbows, booby-traps, infrared night-vision scopes, 100 sticks of

The Washington Post _____
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The Wall Street Journal _____
The Chicago Tribune _____
The Los Angeles Times *Pl. 1, p. 1*
The Christian Science Monitor _____
USA Today _____

Date 1-21-85

dynamite, three-quarters of a pound of C-4 explosives along with detonating wire, two .45-caliber semi-automatic weapons (one equipped with a silencer), a Mini-14 Ruger .223-caliber semi-automatic rifle, a bandoleer of buckshot shotgun shells and a hand grenade.

According to the FBI's Baker, Aryan members or sympathizers also have been linked to an armored car holdup last July in Ukiah, Calif. It and the Seattle robbery were conducted "to fund further criminal acts by members or offshoots of the Aryan Nations," he said.

Robert E. Merki and his wife, Sharon, are to be tried next month in Seattle on charges they organized the ring. In all, the FBI has arrested 11 suspects in connection with the armored car heists, for harboring Mathews and for assaulting federal officers. Two suspected armored-car bandits, Andrew Virgil Barnhill and Richard Harold Kemp, were taken into custody earlier this month while playing poker in a bar in Kalispell, Mont.

Baker said sect members also are under suspicion in the April 29, 1984, fire-bombing of a synagogue in Boise, Ida.

D'Aubuisson Associate Arrested

U.S. Search of Nine Suitcases in Texas Yields \$5.9 Million

By Joanne Omsang
Washington Post Staff Writer

A close associate of Roberto D'Aubuisson, leader of El Salvador's far right political wing, was one of three men arrested at a remote Texas airfield last week with nine suitcases containing more than \$5.9 million in small bills, U.S. Customs Service officials said yesterday.

El Salvador's ruling Christian Democratic Party, locked in a bitter struggle with D'Aubuisson's Arena Party over next month's municipal and legislative elections, immediately charged that the money was obtained illicitly and would be used by Arena "to corrupt the electoral process."

Customs officials said they arrested Francisco Guirola Beeche, 35, and two other men on Feb. 6 as their small Sabreliner private jet was refueling at the Kleberg County airstrip near Kingsville, about 35 miles southwest of Corpus Christi near the Gulf Coast.

Guirola, carrying two passports from El Salvador and one from Costa Rica, is a wealthy Salvadoran conservative with citizenship in El Salvador and Costa Rica who travels frequently to the United States.

He claimed that diplomatic immunity protected his nine suitcases from a search, according to Donald G. Turnbaugh, assistant regional commissioner for enforcement at the Customs Service's Houston office. "I think he was counting on that," Turnbaugh said.

But Guirola did not have diplomatic immunity and agents found that the suitcases contained \$5,975,850 in U.S. currency, with the largest bills being \$100 denominations, Turnbaugh said. He called it the largest currency seizure in Texas history.

"We believe they were headed out of the country," Turnbaugh said. He said that the plane had left John Wayne Airport in Los Angeles the morning of Feb. 6 on a flight plan to Kingsville and Florida and that Customs Service officials in California had warned the Texas office of the flight because the plane

Turnbaugh said the pilot, Gus Maestrales of Boca Raton, Fla., "was known as a possible contraband exporter." He, Guirola and Oscar Rodriguez Feo were charged with transporting undocumented cash and conspiracy and are being held at the Corpus Christi jail in lieu of \$1 million bond. A hearing is scheduled on Tuesday.

An investigative team of FBI, customs and the Drug Enforcement Administration agents has been formed to work on the case, Turnbaugh said. Although there is no apparent drug connection, drug deals usually involve large amounts of cash in small bills.

A possible drug ring involvement is "certainly one of the things being investigated," a State Department official said.

Guirola is known as a close associate and financial backer of D'Aubuisson, and has allowed D'Aubuisson to use a floor of a building he owns in San Salvador as an Arena office, according to State Department officials. The Guirola family has been strongly opposed to Salvadoran President Jose Napoleon Duarte since 1979, when the first Duarte government expropriated and nationalized a large bank, the Banco Salvadoreño, that the family owned.

There also are reports that Guirola was instrumental in the formation of the Broad National Front, FAN by its Spanish initials, a rightist umbrella organization that includes Arena and two splinter parties.

Arena is seeking in the March elections to expand its domination of the Salvadoran legislature, where Arena and a coalition of conservatives have been largely successful in blocking Duarte initiatives. Duarte is counting on a large popular vote in March to gain control.

In major newspaper advertisements Feb. 12, the Christian Democratic Party charged that Guirola was bringing in money "to supply support for his comrades who in-

tend to corrupt the electoral process of our country . . . to buy votes, promote political chaos and other misdeeds in order to mistreat and ridicule our suffering people."

Reagan administration officials could scarcely conceal their glee at news of Guirola's arrest. "The Christian Democrats are mopping up on this. It's seriously undercutting D'Aubuisson right now," said one.

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The Washington Post AL6
The Washington Times _____
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White Supremacist Pleads Guilty to Gun Charges

BOISE, Ida. (UPI)—White supremacist Gary Lee Yarbrough, allegedly a key member of a militant neo-Nazi gang, pleaded guilty Friday to 11 counts of illegally possessing firearms and explosives at his northern Idaho home.

Yarbrough still faces trial in U.S. District Court beginning Wednesday on an additional charge of shooting at FBI agents as they approached his home in Sandpoint last October. He was arrested in November after a shoot-out with the FBI near Portland, Ore.

Yarbrough, 29, is believed to be a member of the White American

Bastion and a former security officer for the neo-Nazi Aryan Nations Church of Hayden Lake, Ida.

Yarbrough, whose guilty pleas came as a surprise, faces a maximum sentence of 61 years in federal prison on the 11 counts.

Prosecutors say that his group is responsible for various robberies, including armored car holdups in California and Washington.

In addition, Yarbrough is a suspect in the 1984 slaying in Denver of a popular radio talk-show host, Alan Berg. The murder weapon was found in Yarbrough's home, but he has denied any involvement

in the death.

Yarbrough was moved to Boise in December under tight security after his arrest in Portland.

An associate, Robert J. Mathews, 31, of Metaline Falls, Wash., a founder of the White American Bastion, eluded authorities in Portland but died in a burning house during a shoot-out on Whidbey Island, Wash., in early December.

Mathews, in a last manifesto mailed to the Aryan Nations compound at Hayden Lake, Ida., just days before his death, called for a race revolution to overthrow the federal government and drive minorities out of the United States.

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Computer Network Links Rightist Groups and Offers 'Enemy' List

By WAYNE KING

Special to The New York Times

HOUSTON, Feb. 14 — An Idaho-based neo-Nazi organization has established a computer-based network to link rightist groups and to disseminate a list of those who it says "have betrayed their race."

One list available from the computer, titled "Know Your Enemy," includes the addresses and telephone numbers of regional offices of the Anti-Defamation League of B'nai B'rith and the offices of the Communist Party U.S.A. It also includes names and addresses of "race traitors" and "informers."

The computer link, called the "Aryan Liberty Net," is sponsored by the Aryan Nations, an organization based in Hayden Lake, Idaho. Law-enforcement officials have tied a splinter group of the organization to several bank and armored-car robberies, armed attacks on Federal officers and the machine-gun slaying of Alan Berg, a Denver talk show host.

"War" on the United States

The splinter group, calling itself by various names, including the Order and the Brüder Schweigen, German for the Silent Brotherhood, was identified by the Federal Bureau of Investigation as the organizational link for several heavily armed individuals who had "declared war" on the United States Government. The Silent Brotherhood maintains that the Government, which it refers to as the "ZOG," for Zionist Occupation Government, has been taken over by Jews, whom the group regards as descendants of Satan who should be exterminated.

The leader of the group, Robert J. Matthews, 31 years old, was killed in December after firing on Federal officers with a submachine gun from a midway on Whidbey Island in Puget Sound, Wash. The house was ignited by illumination flares dropped from a helicopter. Mr. Matthews was sought in connection with the wounding of an F.B.I. agent in Seattle and the robbery of a Brink's armored car in northern California.

Federal investigators later determined that the California robbery, in which \$3.6 million was taken by a band of up to 17 men who sprayed the truck with an automatic weapon, was conducted to finance a "war" against the Government. The authorities ascribed the same motive to counterfeiting operations they said were conducted by other members of the group.

The Network's Messages

ows and several other members of the Silent Brotherhood were "former members" of the Aryan Nations. Mr. Butler called Mr. Matthews "a hero."

One message on the Aryan Nations computer network warns: "The older and less active spokesmen for the fold and faith are being replaced by the young lions. These dragons of God have no time for pamphlets or speeches. They are the armed party which is being born out of the inability of white male youths to be heard."

Another entry is a courtroom statement of a California man convicted in 1982 for killing a 17-year-old who informed on right-wing activities.

The statement accuses the "Satanic society" of the United States of "murdering Christians like Gordon Kahl, who you burned in Nebuchadnezzar's oven because he would not bow to your golden Babylonian God and pay your tribute to finance Israel."

Mr. Kahl, a fugitive charged with killing two Federal marshals, was an outspoken member of a tax-protest group. He was killed in June 1983 when a concrete bunker crammed with thousands of rounds of ammunition exploded in a gun battle with the Federal authorities. He shot and killed Sheriff Gene Matthews of Lawrence County, Ark., in that incident. Mr. Kahl attended Aryan Nations functions and has been cited as a "hero and martyr" by the group.

The Government's continuing investigation has expanded to at least six states.

Weapons and a Point System

Investigators have already found caches of weapons, including explosives and automatic weapons, one of which was identified by ballistics experts as the one used to kill Mr. Berg, who taunted right-wing extremists on his radio show. The authorities also found literature detailing a "point system" to achieve status by killing Federal officials, blacks or Jews.

The Federal authorities have also discovered the names of public officials and others viewed as enemies by rightists.

Late last month, for example, the F.B.I. notified Lieut. Gov. Bill Baxley of Alabama that he might be a target for revenge. Mr. Baxley, when State Attorney General, was responsible for obtaining the extradition of the racist J. B. Stoner for the bombing of Bethel Baptist Church in Birmingham.

The F.B.I. also uncovered threats linked to the Aryan Nations against Morris Dees of Montgomery, Ala., and to the Rev. Jerry Lee Smith. Mr. Dees has filed several suits

discuss whether they are monitoring the computer network sponsored by the Aryan Nations.

It was set up by Louis Beam, of Dallas, a member of the Ku Klux Klan. It can be reached through telephone numbers in Texas, Idaho and North Carolina, which has an active Klan.

Access Is Restricted

The computer link, which has varying levels of passwords to restrict access, describes itself as "a pro-American, pro-White, anti-Communist network of true believers who serve the one and only God — Jesus, the Christ," and that it is "for Aryan patriots only."

Under a listing of "known ZOG (Zionist Occupational Government) informers," the network lists the names of an F.B.I. informer against the Klan and a man who testified against a Ku Klux Klansman charged with bombing a California radio station.

The informer was killed last summer, and the network exults: "He was blown to pieces on a recent morning, when he opened his mailbox to remove his newspaper. Oh, glorious day!"

An entry called "At Last, Unity" says: "Finally, we are all going to be linked together at one point in time. Imagine, if you will, all the great minds of the patriotic Christian movement linked together and joined into one computer. Imagine any patriot in the country being able to call up and access these minds."

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SC Bee; SC, CA

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Title: How FBI works to solve alleged neo-Nazi crimes

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How FBI works to solve alleged neo-Nazi crimes

By Walt Willey
Bee Staff Writer

A picture is emerging from official documents of how the FBI is going about solving a string of armed robberies, counterfeiting schemes and the murder of a Denver talk show host, all of which are linked to a gang of neo-Nazis.

The FBI is by no means through with the case and agents will not discuss the investigation. But what is known is this:

One person linked to the group is dead, at least 16 others already are in jail and at least three more are believed to be the objects of hunts on

various charges connected with the crimes, which include the \$3.4 million robbery of a Brink's armored car near Ukiah last July 19.

The FBI got its first break in the case the day of the robbery when agents found a handgun that had been left behind by one of the robbers, according to an affidavit released by the U.S. District Court in Sacramento. From there, that document and others reveal, the investigation has led to at least two informants who were involved with the Ukiah holdup and with a broad network of neo-Nazis, who seek ultimately to overthrow the U.S. government and to remove all non-whites and Jews from the country.

Mike Doohar, the FBI agent in San Rafael in charge of the Ukiah robbery investigation, said last week more arrests are expected, but he would not say how many and would not confirm the names of those being sought.

Further, agent Doohar said, arrests have been made in the case nationwide. He said some of the arrests were made with no apparent connection to the robbery itself. Plans are to have all or nearly all of the suspects in custody before the suspects are charged in the Ukiah heist so that they can be tried at the same time, said Doohar.

According to the court documents, the pistol found in the armored car after the robbery was a blue steel, Smith and Wesson 9mm semiautomatic. The pistol was eventually traced to Andrew V. Barnhill, 28, of Missoula, Mont., who bought it under his own name at a Missoula sporting goods store April 26.

Barnhill was arrested in the case Jan. 7, but before his arrest, agents were zeroing in on other members of a group Barnhill helped found — "The Order."

The Order gets its name from a little-known novel, "The Turner Diaries," written by a former Oregon State University physics professor, William Luther Pierce, who quit the university in 1965 to work with George Lincoln Rockwell, founder of the American Nazi Party.

Pierce is leader of the National Alliance of Arlington, Va., a neo-Nazi group.

In Pierce's novel, The Order is the inner circle of a larger group of revolutionaries who take control of the whole world, eradicating all Jews and non-whites.

Members of the fictional order swear a blood oath to commit suicide before they are taken captive. Their revolution is financed by armed robberies and counterfeiting.

Barnhill and other members of the real-life Order were originally members of the Church of Jesus Christ Christian Aryan Nations in Hayden Lake, Idaho, which preached white supremacy and separation of the races, according to the court documents.

Before Barnhill was tracked down and arrested along with Richard Harold Kemp, 22, as they were playing poker in a Kalspell, Mont., bar, the FBI was able to infiltrate The Order and obtain information from at least two members of the gang involved in the Ukiah holdup, according to court documents.

From one informant, the FBI learned the leader of The Order was Robert Mathews, 31, of Metaline

Falls, Wash. — not far from the Hayden Lake headquarters of Aryan Nations. Mathews died Dec. 9 in a fire following a shootout with FBI agents and police on Whidbey Island, Wash., near Seattle.

Before he died, Mathews wrote a letter to his hometown newspaper in which he said the informant is known to The Order and, if found, "his head will be removed from his body."

At that time, the FBI noose was already tightening on the group. Mathews had escaped Nov. 24 from a shootout with FBI agents in Portland, Ore., in which he and an FBI agent were wounded. A member of the gang, Gary Lee Yarbrough, 29, of Sandpoint, Idaho, was arrested by agents after the shootout.

Yarbrough had been sought since Oct. 18, when he escaped after a shootout at his home, where officers found a large cache of weapons and explosives. Included in the cache was what crime-lab technicians said was the .45-caliber Mac 10 submachine gun believed used in the June 18 ambush-murder of Alan Berg, an outspoken radio talk show host in Denver. Berg was Jewish.

By the time of the Portland shootout, documents reveal, the FBI had already learned from an informant that Mathews had robbed a Seattle bank of \$25,000 the previous winter and that he and several others later involved in the Ukiah holdup robbed an armored car in Seattle April 23, taking \$500,000.

Left behind at the scene of the Portland shootout was a car containing not only \$30,000 in cash that appeared to be from the Ukiah robbery and weapons including a silencer-equipped machine gun, but also a book of names and phone numbers in code.

Mathews was run down on Whidbey Island, and since then, arrests have come with regularity.

Arrested on the scene on Whidbey Island were Randolph George Ducey, 34, of Spokane, Wash.; Robert E. and Sharon K. Merki, 50 and 47, of Oro-

ville, Wash.; and Ian Roy Stewart, 21, all charged with harboring a fugitive — Mathews. In addition, the Merkis were wanted on a 1982 Oregon counterfeiting charge.

Then, on Dec. 18 at Seaside, Ore., Denver Daw Parmenter II, 32, of Cheney, Wash., was arrested in connection with the Ukiah robbery. And Jan. 2, James Dye, 31, was arrested in Spokane on a similar charge.

On Jan. 7, Barnhill and Kemp were arrested.

On Jan. 18, Sharon Merki's daughter, Suzanne C. Tornatzky, 27, was arrested in Boise, Idaho, along with Jean Craig, 50. They were charged with receiving money from the Ukiah holdup.

An informant revealed that the Ukiah robbers had driven straight from the holdup to Reno, where they split up into several cars and drove north to Boise to divide the money with the help of Tornatzky and Craig.

Subsequently, Tornatzky's husband, Eric, 30, was arrested on a counterfeiting charge linked to the Merki's case.

At about the same time in Northport, Ala., Mark Frank Jones, 26, and Michael Stanley Norris, 25, were arrested on charges they aided a man identified only as Richard Joseph Scutari in his escape from Whidbey Island after the shootout.

Then, on Jan. 30, after agents broke the code to the records found in the car in Portland, two Brink's guards in Northern California were tracked down and arrested: Charles E. Ostrout, 51, of Lookout, Modoc County, and Ronald A. King, 45, of San Leandro.

Ostrout and King were indicted Thursday by a federal grand jury in San Francisco on charges they planned a robbery by The Order of the Brink's main vault in San Francisco, a robbery that never occurred.

Ostrout and King pleaded innocent Friday to the charges and are being held without bail.

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New Haven Register p. A-12
New Haven, CTDate: 2/10/85
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Defense says activists targeted

By Joseph T. Brady
Staff Reporter

NEW YORK — Two blocks from the monolithic federal courthouse in lower Manhattan, an elevator creaked its way to the fourth floor of a Duane Street office building. Through a door, a simple black-on-white sign read "Resistance Law Offices."

The furnishings were simple but attractive. A receptionist chatted on the phone about a farewell party for a client about to be imprisoned. Pro-Sandinista and black revolutionary handbills hugged the walls.

Judith L. Holmes emerged from one of the offices and carried a visitor's coat to a closet. Instead of a nameplate, her door bore a headline clipped from a New York tabloid: "Bloody Holmes."

Holmes is a small woman, her short hair and narrow face overpowered by large, round glasses. She sat behind her desk, opened a bag of peanut M&M's and, smiling, offered the bag across the table.

A picture of V.I. Lenin hung by the window. She referred to him as "one of my lawyer heroes."

Holmes represents Yvette Kelley, one of the defendants the attorney repeatedly refers to as "The New York Eight." Holmes said she had "no idea" why a woman, alleged to be Kelley, used an alias to

rent a New Haven apartment for three months in early 1984. She objected to the government's claim that the dwelling was a "safe house" for black radical terrorists.

"First of all, I don't automatically accept that Yvette rented the apartment, and if it is true, there could be 16 different reasons (for securing it)," Holmes said.

The attorney said the government is targeting people who "have a long history of political activism going back to the early days of the civil rights movement." Speaking specifically of Coltrane Chimurenga, she said, "He's a very intelligent, well-educated black man. That makes him a great risk."

Like everyone else involved with the case, Holmes was waiting for a grand jury's decision on a superseding indictment against her client and the others. Holmes speculated that the government is looking for charges under the federal Racketeering Influenced and Corrupt Organizations statute based on alleged intent to kidnap prison guards in freeing black radicals Donald Weems and Sekou Odinga.

Holmes said that, while the government hails the case as "a preemptive strike against domestic terrorism," the real aim is "politically, to criminalize dissent in this country." She acknowledged that the New York Eight are revolutionaries and "anti-imperialists,"

but otherwise said the government exaggerates connections between various domestic revolutionaries.

"It's not illegal to be a revolutionary," she added with a slight smile.

Whatever the relationship between the groups, such radicals are no strangers to the law firm of Flood, Holmes & Tipograph. One of the partners, Susan Tipograph, represents Susan Lisa Rosenberg and Timothy Blunk, two suspected terrorists arrested in New Jersey last November while allegedly transporting about 700 pounds of explosives with a trailer parked in New Haven.

Moreover, in 1977, longtime terrorist Marilyn Jean Buck was serving a 10-year sentence in a West Virginia federal prison when corrections officers granted her a six-day furlough to visit Tipograph, her attorney, in New York City. After meeting with Tipograph, Buck disappeared, and has been among the nation's most-wanted fugitives ever since.

In addition, Silvia Baraldini — Tipograph's former legal aide and a member of the radical May 19 Organization — was convicted on racketeering charges in 1981 for driving getaway cars in an attempted December 1980 armored-car robbery in Danbury, Conn., and in the prison breakout of convicted cop-killer Joanne Chesimard in New Jersey.

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D'Aubuisson Sink to Salvadoran indicted in money smuggling

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San Salvador
Francisco Guirola Beche, the wealthy young Salvadoran indicted in Corpus Christi, Texas, on conspiracy charges last week for trying to smuggle over \$5.9 million in cash out of the United States, is a close friend and associate of right-wing Salvadorean leader Roberto d'Aubuisson, according to El Salvador's ruling Christian Democrats.

The Christian Democrats have seized on the scandal of Mr. Guirola's arrest by taking out full-page newspaper advertisements that publicize the case. The ads point out that Guirola was traveling with an official Salvadorean passport at the time of his arrest — a passport that identified him as a "special commissioner" of the Salvadorean attorney general's office. The two right-wing morning papers here have not reported the incident.

The ads note that the attorney general, Dr. Francisco José Guerrero, is a leading right-wing politician, and a legal and political counsellor of Mr. d'Aubuisson, the head of the ARENA (National Republican Alliance) party. Dr. Guerrero was appointed to head the attorney general's office by the rightist-controlled assembly last June. A spokesman for the attorney general, Dr. Maximiliano Monterrosa, said he had "no evidence that this type of [official] passport was issued." But he also said the office was investigating the charge.

There is speculation that the sum of cash seized might have come from trafficking in narcotics or guns, and that it was being laundered by being smuggled out of the US. There is also speculation that some of the money may have been destined for ARENA's political campaign for the March 31 elections for the national assembly and municipalities. Guirola has been involved in funding ultra-right activities in the past.

But the amount of money seized far exceeds the needs of the current campaign. It has thus caused the Christian Democrats to whisper ominously about attempts to buy votes or even directly to destabilize the government of José Napoleón Duarte. US federal investigators in Texas, meanwhile, have said that there is no evidence that indicates what the money was meant to be used for once it reached El Salvador.

While the Christian Democrats have tried to make the

most of the scandal to help their flagging political fortunes, few observers think the scandal will turn the tide against the rightists, who are expected to make substantial gains in the elections. The Christian Democrat's newspaper articles and television programs, which link Guirola to the murky and at times violent underworld of ultra-right Salvadoreans, may hurt ARENA's attempts to shed its alleged death squad associations and to portray itself as a party that stands by democratic values.

Still, the Salvadoreans who voted for d'Aubuisson in last year's presidential elections — despite charges that ARENA was linked to death squad activities and of alleged involvement in the assassination of Archbishop Oscar Arnulfo Romero in 1980 — seem unlikely to change their vote because of this latest scandal.

According to a Christian Democratic party leader, Dr. Guevara Lecayo, Guirola travels frequently between the US, Guatemala, El Salvador, and Panama. When Guirola applied for his passport, Dr. Lecayo says, he presented documents identifying himself as a special assistant to d'Aubuisson, who was then president of the constituent assembly, a post d'Aubuisson left to run for president against Mr. Duarte last spring.

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Addenda

■ The former propaganda minister of a white-supremacist cult, Eugene Thaddeus Kinderk, hanged himself in the Boise, Idaho, jail, leaving a note saying he feared what might happen to him after testifying against his former comrades.

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'Aryan Warrior' Guilty In Idaho Assault Case

BOISE, Idaho, Feb. 22 (UPI) — Gary Lee Yarbrough, one of nearly two dozen reputed members of a neo-Nazi group who have been linked to a series of terrorist robberies and shootings, has been convicted of assault charges.

Mr. Yarbrough, a 28-year-old former convict and an avowed "front-line Aryan warrior," was found guilty Thursday of assault for firing toward three agents of the Federal Bureau of Investigation who drove past his rural home near Sandpoint, Idaho, in a Forest Service pickup truck.

The jury deliberated five hours before returning the verdict after discounting Mr. Yarbrough's testimony that he fired to warn the agents that they were trespassing, and was not trying to hit them.

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News in Brief

The Nation

A federal jury in Boise, Ida., began deliberating assault charges against a suspected neo-Nazi who testified that he fired only warning shots at three FBI agents he believed were "intruders" on his property. Gary Lee Yarbrough said he only wanted the agents to identify themselves, but the agents testified that he aimed at them. Yarbrough is thought to be a member of the Order, a violent offshoot of the Aryan Nations. After the incident, officers found a cache of firearms in Yarbrough's home, including the gun used to kill Jewish radio talk show host Alan Berg in Denver last year.

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A neo-Nazi neighborhood

Fear of swastikas and secrets in Utah

By George Lurie
 Special for USA TODAY

HAYDEN LAKE, Utah — The white-supremacist, violence-prone Aryan Nations' followers who make this mountainous area their headquarters are a dreaded, unwanted presence.

Swastikas and armbands decorate their army fatigues. Law officers across the West suspect their past brethren and splinter groups of committing murder, robbery and kidnapping.

They live, drill and — says an infiltrator — plot in a secluded, 30-acre compound surrounded by 6-foot-high barbed wire and patrolled by Doberman pinchers.

Gary Lee Yarbrough — on trial this week in Boise, Idaho, for shooting at FBI agents — lived here and once guarded Richard Butler, the avowed racist founder of Aryan Nations Church.

Butler says he has 75 hardcore followers.

The 65-year-old leader preaches the final battle to save the white race has begun. Few in these parts have much contact with him. He has withdrawn more — cutting off access to his compound — since an infiltrator's secret film was televised last week by a

Spokane, Wash., station.

Today, Butler is to tape a rebuttal to the station's five-part report after demanding equal time. Thursday, Butler said, "Other than a few crank calls, I think the community accepts us and appreciates our contribution to the local economy."

But the rumors, the secrecy, the urban-guerrilla war practice and the Dobermans are a great concern in this scenic slice of the Rockies.

Tavern operator Ken Weaver has to ask neo-Nazis to leave guns outside, and says they fight with the cowboys who come to the tavern.

Real estate agent Nelson Evans said "people are having a tough time selling their houses" because of the Aryan Nations Church.

Says Colonel Knox, a 72-year-old Hayden Lake native: "They're giving this town a bad name. I wish they'd go somewhere else and burn their crosses."

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Idaho supremacist convicted of assault

Special for USA TODAY

BOISE, Idaho — White supremacist Gary Lee Yarbrough — a former member of the Aryan Nation Church — was convicted Thursday

of assault for firing a gun at three FBI agents.

Yarbrough, on trial for firing three shots at FBI agents in October on his property in Sandpoint, Idaho, testified Thursday that he fired only

warning shots.

A weapon at Yarbrough's home was used to kill controversial Jewish radio talk show host Alan Berg in Denver. Yarbrough has not been charged in the murder.

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